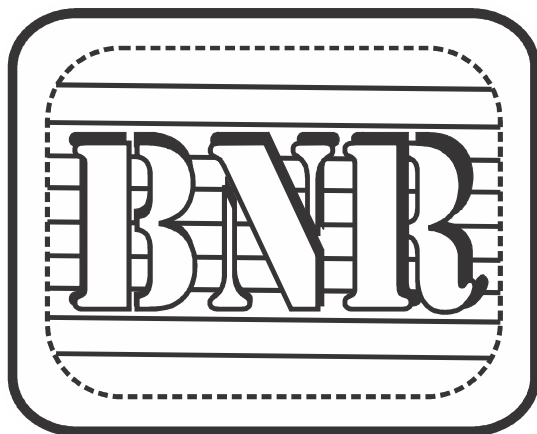


B.N. Rath Securities Limited



31st Annual Report
2016-2017



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Laxminiwas Sharma	- Non Executive Chairman (DIN: 00010899)
Mr. K. Harishchandra Prasad	- Non Executive & Independent Director (DIN: 00012564)
Mrs. Shanti Sree Bolleni	- Non Executive & Independent Director (DIN: 07092258)
Mr. Hari Narayan Rathi	- Managing Director (DIN: 00010968)
Mr. Chetan Rathi	- Whole-Time Director cum CFO (DIN: 00536441)

COMPLIANCE OFFICER

- Mr. M.V. Rao

COMPANY SECRETARY

- Mrs. Gadila Sabitha Reddy

REGISTERED OFFICE

- 6-3-652, IV Floor, Kautilya,
Amrutha Estates, Somajiguda,
Hyderabad, Telangana - 500082.
Ph. No.: 040-30527777, Fax: 30526283

CORPORATE IDENTITY NUMBER

- L65993TG1985PLC005838

AUDITORS

- M/s. Seshachalam & Co.,
Chartered Accountants
1-11-256, Street No.1,
Wall Street Plaza, 6th Floor,
ICICI Building (Begumpet AirPort)
Begumpet , Hyderabad - 500016.

BANKERS

- HDFC Bank Ltd.
- ICICI Bank Ltd.
- State Bank of India
- IndusInd Bank Ltd.

AUDIT COMMITTEE

Mr. Laxminiwas Sharma	- Chairman
Mr. K. Harishchandra Prasad	- Member
Mrs. Shanti Sree Bolleni	- Member
Mr. Hari Narayan Rathi	- Member

NOMINATION & REMUNERATION COMMITTEE

Mr. K. Harishchandra Prasad	- Chairman
Mr. Laxminiwas Sharma	- Member
Mrs. Shanti Sree Bolleni	- Member
Mr. Hari Narayan Rathi	- Member



STAKEHOLDERS RELATIONSHIP COMMITTEE

Mrs. Shanti Sree Bolleni	-	Chairperson
Mr. Laxminiwas Sharma	-	Member
Mr. K. Harishchandra Prasad	-	Member
Mr. Chetan Rathi	-	Member

RISK MANAGEMENT COMMITTEE

Mr. K. Harishchandra Prasad	-	Chairman
Mrs. Shanti Sree Bolleni	-	Member
Mr. Chetan Rathi	-	Member

INDEPENDENT DIRECTORS

Mr. Laxminiwas Sharma	-	Chairman
Mr. K. Harishchandra Prasad	-	Member
Mrs. Shanti Sree Bolleni	-	Member

REGISTRAR & SHARE TRANSFER AGENTS

M/s. Karvy Computershare Private Limited,
Karvy Selenium Tower B, Plot 31-32, Gachibowli,
Financial District, Nanakramguda, Hyderabad - 500032
Phone Number: 040-67162222, 67161526,
Fax: 040-23001153

LISTED AT	-	BSE Limited
DEMAT ISIN NUMBER IN NSDL & CDSL	-	INE710D01010
WEBSITE	-	www.bnrsecurities.com
INVESTOR E-MAIL ID	-	investorgrievances@bnrsecurities.com



NOTICE

Notice is hereby given that the 31st Annual General Meeting of the Shareholders of M/s B.N. Rathi Securities Limited will be held on Saturday, 5th of August, 2017 at 11.00 A.M. at Hotel Mercure Hyderabad KCP, 6-3-551, Somajiguda, Hyderabad - 500082 to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at March 31st 2017, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with the Notes attached thereto, along with the Reports of Auditors and Directors thereon.
2. To declare dividend on equity shares for the financial year ended 31st March 2017.
3. To appoint a director in place of Mr. Hari Narayan Rathi (DIN: 00010968) who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. Seshachalam & Co., Statutory Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at a remuneration as may be fixed by the Board.

SPECIAL BUSINESS :

Item No. 5: REVISION OF REMUNERATION OF MANAGING DIRECTOR WITH EFFECT FROM 1st OCTOBER, 2016:

To consider and if, thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution:-

"RESOLVED THAT pursuant to the provisions of Section 197 read with Schedule V to the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 and the rules prescribed there under, consent of the shareholders be and is hereby accorded to increase the remuneration of Shri Hari Narayan Rathi, Managing Director of the Company with effect from 1st October, 2016 as per the terms and conditions as recommended by the nomination and remuneration committee and as set out in the explanatory statement annexed to the notice"

"RESOLVED FURTHER THAT, in the event of any loss or inadequacy of profits in any financial year during his tenure, the Company shall pay Shri Hari Narayan Rathi (DIN: 00010968) the remuneration by way of salaries and allowances as specified above as minimum remuneration and in accordance with the limits specified under the Companies Act, 2013 read with Schedule V of Companies Act, 2013, or such other limit as may be prescribed by the Government from time to time".

"RESOLVED FURTHER THAT, the Board be and is hereby authorized to approve the terms and conditions including any changes in remuneration and to do all such acts, deeds, matters and things as may be considered necessary, appropriate and desirable to give effect to the resolution."

Item No. 6: REVISION OF REMUNERATION OF WHOLE-TIME-DIRECTOR WITH EFFECT FROM 1st OCTOBER, 2016:

To consider and if, thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution:-

"RESOLVED THAT pursuant to the provisions of Section 197 read with Schedule V to the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 and the rules prescribed there under, consent of the shareholders be and is hereby accorded to increase the remuneration of

**B.N. RATHI SECURITIES LIMITED**

L65993TG1985PLC005838

Shri Chetan Rathi, Whole-Time Director of the Company with effect from 1st October, 2016 as per the terms and conditions as recommended by the nomination and remuneration committee and as set out in the explanatory statement annexed to the notice”

“RESOLVED FURTHER THAT, in the event of any loss or inadequacy of profits in any financial year during his tenure, the Company shall pay Shri Chetan Rathi (DIN: 00536441) the remuneration by way of salaries and allowances as specified above as minimum remuneration and in accordance with the limits specified under the Companies Act, 2013 read with Schedule V of Companies Act, 2013, or such other limit as may be prescribed by the Government from time to time”.

“RESOLVED FURTHER THAT, the Board be and is hereby authorized to approve the terms and conditions including any changes in remuneration and to do all such acts, deeds, matters and things as may be considered necessary, appropriate and desirable to give effect to the resolution.”

For and on behalf of the Board
B.N. Rathi Securities Limited

Place : Hyderabad
Date : 15.05.2017

Laxminiwas Sharma
Chairman



NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument of Proxy in order to be effective shall be deposited at the Corporate Office of the Company by not less than 48 hours before the commencement of the Meeting.

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other person or shareholder. The appointment of proxy shall be in the Form No. MGT.11 annexed herewith.
2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 29th July, 2017 to 05th of August, 2017 (Both days inclusive).
4. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants.
5. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID Numbers for identification.
6. Corporate Members are requested to send to the Company's Registrar & Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
7. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.
8. The dividend as recommended by the Board of Directors, if declared at the Annual General Meeting will be paid within a period of 30 days to those members whose name appear as:
 - a) Beneficial Owners as on 28th July, 2017 on the lists of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited; and
 - b) Members in the Register of Members of the Company after giving effect to valid share transfer in the physical form lodged with the Company on or before 28th of July, 2017
9. Members holding shares in electronic form may note that bank particulars registered against their respective registered accounts will be used by the Company for the payment of dividend. The Company or its Registrar and Share Transfer Agent cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members.
10. The Securities and Exchange Board of India issued a circular for submission of Aadhar number by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit Aadhar card details to the Depository Participants with whom they have



demat accounts. Members holding shares in physical form can submit their Aadhar card details to the Company/ Registrar and Share Transfer Agents (M/s. Karvy Computershare Private Limited.)

11. As a measure of austerity, copies of the annual report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of the Annual Report to the Meeting.
12. Members holding shares in the same name under different ledger folios are requested to apply for Consolidation of such folios and send the relevant share certificates to **M/s. Karvy Computershare Private Limited.**, Share Transfer Agents of the Company for their doing the needful.
13. Members are requested to send their queries at least 10 days before the date of meeting so that information can be made available at the meeting.
14. In respect of shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the company and correspond with them directly regarding share transfer/transmission /transposition, Demat / Remat, change of address, issue of duplicate shares certificates, ECS and nomination facility.
15. In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the company/ RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.
16. Electronic copy of the Annual Report for 2016-2017 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2016-2017 is being sent in the permitted mode.
17. Members may also note that the Notice of the 31st Annual General Meeting and the Annual Report for 2016-2017 will also be available on the Company's website www.bnrsecurities.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: investorgrievances@bnrsecurities.com.
18. Voting through Electronic Means (E-Voting Facility)

Pursuant to the provisions of Section 108 of the Act read with the rules thereunder and Regulation 44 of SEBI LODR Regulations, the Company is offering e-voting facility to its members in respect of the businesses to be transacted at the 31st Annual General Meeting scheduled to be held on 05th of August, 2017 at Hotel Mercure Hyderabad KCP, 6-3-551, Somajiguda, Hyderabad - 500082

The Company has engaged the services of M/s. Karvy Computershare Private Limited ("Karvy") as the Authorized Agency to provide e-voting facilities. The e-voting particulars are set out below:

EVENT (e-voting event number)	USER ID	PASSWORD/ PIN



The e-voting facility will be available during the following voting period:

Commencement of e-voting: **From 2nd of August, 2017 at 9. AM.**

End of e-voting: **Up to 4th of August, 2017 at 5. P.m.**

The cut-off date (i.e. the record date) for the purpose of e-voting is 28th of July, 2017.

Please read the procedure and instructions for e-voting given below before exercising the vote.

This communication forms an integral part of the Notice dated 15.05.2017 for the AGM scheduled to be held on 05.08.2017 which is enclosed herewith and is also made available on the website of the Company www.bnrsecurities.com. Attention is invited to the statement on the accompanying Notice that the Company is pleased to provide e-voting facility through Karvy for all shareholders of the Company to enable them to cast their votes electronically on the resolution mentioned in the Notice of the 31st Annual General Meeting of the Company dated 05.08.2017

Procedure and instructions for e-voting

A. Members who received the Notice through e-mail from Karvy:

- i. Open your web browser during the voting period and navigate to '<https://evoting.karvy.com>'
- ii. Enter the login credentials (i.e., user-id & password). However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote:

User – ID	For Members holding shares in Demat Form:- a) For NSDL :- 8 Character DP ID followed by 8 digit Client ID b) For CDSL :- 16 digits Beneficiary ID / Client ID For Members holding shares in Physical Form:- Event No. (EVENT) followed by Folio No. registered with the Company
Password	Your unique password is printed above / provided in the e-mail forwarding the electronic notice

- iii. After entering these details appropriately, click on "LOGIN".
- iv. You will now reach Password Change Menu wherein they are required to mandatorily change their password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- v. After changing password, you need to login again with the new credentials.
- vi. On successful login, the system will prompt to select the "Event" i.e. B.N. Rathi Securities Limited.
- vii. On the voting page, enter the number of shares (which represents number of votes) as on the cut-off date under "FOR/AGAINST/ABSTAIN" against the resolution or alternatively you may partially enter any number in "FOR", partially in "AGAINST" and partially in "ABSTAIN" but the total number in "FOR/AGAINST/ABSTAIN" taken together should not exceed your total shareholding.



- viii. You may then cast your vote by selecting an appropriate option and click on "Submit". A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify your vote. During the voting period, Members can login any number of times till they have voted on the resolution.
- ix. Corporate/Institutional Members (corporate /FIs /FII's/Trust/Mutual Funds/Companies, etc) are additionally required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter, etc. together with the attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: ssrfcs@gmail.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_Event No.".
- B.** In case of Members receiving the Notice by post:
1. Please use the User ID and initial password as provided above.
 2. Please follow all steps from Sr. No. (i) to (ix) as mentioned in (A) above, to cast your vote.
- C.** The e- voting period commences on 2nd of August, 2017 at 09.00 A.M and ends on 4th of August, 2017 at 05.00 P.M. In case of any query pertaining to e-voting, please visit Help & FAQs section of Karvy e-voting website.
- D.** Once the vote on the resolution is cast by a shareholder, the shareholder shall not be allowed to change it subsequently. Further, the shareholders who have cast their vote electronically shall not be allowed to vote again at the AGM.
- E.** Mr. S. Sarveswar Reddy, Practising Company Secretary (ACS) has been appointed as Scrutinizer for conducting the e-voting process in accordance with law. The Scrutinizer's decision on the validity of e-voting shall be final. The e-mail ID of the Scrutinizer is ssrfcs@gmail.com
- F.** The Scrutinizer shall, on the date of the AGM, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's report of the votes cast in favour or against, if any, and submit it to the Chairman.
- G.** The result of voting will be announced by the Chairman of the AGM at or after the AGM to be held on 05.08.2017 and the resolution will be deemed to have been passed on the date of the AGM subject to receipt of the requisite number of votes in favour of the resolution.
- H.** The result of the voting along with the Scrutinizer's Report will be communicated to the stock exchanges and will also be hosted on the website of the Company (www.bnrscurities.com) and on Karvy's website (<https://evoting.karvy.com>) within 48 hours of completion of voting.
- I.** The voting rights for the shares are one vote per equity share, registered in the name of the shareholders / beneficial owners as on 28.07.2017. Shareholders holding shares either in physical form or dematerialized form may cast their vote electronically.
- J.** Shareholders / proxies may also vote at the venue of the meeting physically by using the ballot papers that will be provided at the venue. Shareholders / proxies who have cast their votes through e-voting will not be allowed to cast their votes physically at the venue of the AGM.

**B.N. RATHI SECURITIES LIMITED**

L65993TG1985PLC005838

- H. In case of any grievances connected with the voting by electronic means, shareholders are requested to contact Mr. P. Nageswara Rao, Karvy Selenium, Tower B, Plot No. 31 & 32, Financial District, Gachibowli, Hyderabad - 500 032, E-mail : einward.ris@karvy.com, Phone : 040-67162222.
- I. Members who have acquired shares after the dispatch of the Notice and before the Cutoff date may obtain the user ID by approaching Mr. P. Nageswara Rao, Karvy Selenium, Tower B, Plot No. 31 & 32, Financial District, Gachibowli, Hyderabad - 500 032, E-mail: einward.ris@karvy.com, Phone: 040-67162222, for issuance of the user ID and password for exercising their right to vote by electronic means.
19. In terms of Companies Act, the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF). Accordingly, in the year 2016-17, the Company would be transferring the unclaimed or unpaid Final Dividend for the year 2009-2010 to the IEPF within a period of thirty days of such amounts becoming due. Shareholders are requested to ensure that they claim the dividend(s) from the Company before transfer of the said amounts to the IEPF.
20. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date 28th July, 2017.
21. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the AGM.
22. Relevant documents referred to in the accompanying Notice, as well as Annual Reports and Annual Accounts of the Subsidiaries Companies whose Annual Accounts have been consolidated with the Company are open for inspection at the Registered Office of the Company, during the office hours, on all working days between 10.00 A.M. to 5.00 P.M. up to the date of Annual General Meeting.
23. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by registering/uploading their email addresses, in respect of shares held in dematerialized form with their respective Depository Participant and in respect of shares held in physical form with the Company's Registrar and Share Transfer Agents.

For and on behalf of the Board
B.N. Rathi Securities Limited

Place : Hyderabad
Date : 15.05.2017

Laxminiwas Sharma
Chairman



EXPLANATORY STATEMENT
[Pursuant to Section 102 of the Companies Act, 2013]

ITEM NO.5:

Shri. Hari Narayan Rathi (DIN: 00010968) was appointed as Managing Director of the Company for a period of 3 years from 01.10.2015 to 30.09.2018 at the 30th Annual General Meeting held on 06.08.2016.

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company at their meeting held on 11.11.2016, approved the increase of remuneration of Shri. Hari Narayan Rathi (DIN: 00010968) Managing Director to Rs. 3, 00,000 and 3, 50,000 P.M. for the balance 2nd and 3rd years respectively.

The Board of Directors recommends the passing of the above resolution as an Ordinary Resolution as set out in the item no. 5.

Save and except Shri. Hari Narayan Rathi (DIN: 00010968) Managing Director and Shri. Chetan Rathi, (DIN:00536441) Whole-Time Director being his relative, none of the other Directors/Key Managerial Personnel and their relatives is in any way interested or concerned financially or otherwise, in the Resolution set out in the notice.

Details of remuneration are:

- I. Salary: in the scale of Rs. 3, 00,000 and 3, 50,000 P.M. for 2nd year and 3rd year respectively.
- II. In addition to the above the Managing Director is entitled to the following facilities
 - a) Free use of the Company's car with driver.
 - b) Free telephone facility at residence.
 - c) Encashment of Leave as per the rules of the Company.
 - d) Club fee subject to maximum of two clubs. This will not include admission and life Membership fee.
 - e) Provident fund, superannuation benefits and gratuity as per the rules of the Company subject to the ceilings as per the guidelines for managerial remuneration in force from time to time.
 - f) Reimbursement of medical expenses incurred for self and family subject to a ceiling of one month's salary in a year or 2 months' salary over a period of 2 years.
 - g) Leave Travel Concession for self & family once in a year as per the rules of the Company.

ITEM NO.6:

Shri. Chetan Rathi (DIN: 00536441) was appointed as Whole-Time Director of the Company for a period of 3 years from 01.04.2015 to 31.03.2018 at the 29th Annual General Meeting held on 18.07.2015.

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company at their meeting held on 11.11.2016, approved the increase of remuneration of Shri. Chetan Rathi (DIN: 00536441) Whole-Time Director to 2, 00,000 and 2, 50,000 P.M. for 2nd year and 3rd year respectively.

The Board of Directors recommends the passing of the above resolution as an Ordinary Resolution.



Save and except Shri. Chetan Rathi (DIN: 00536441) Whole-Time Director and Shri. Hari Narayan Rathi, (DIN: 00010968) Managing Director being his relative, none of the other Directors/Key Managerial Personnel and their relatives are in any way interested or concerned financially or otherwise, in the Resolution set out in the notice except to the extent of their shareholding.

Details of remuneration are:

Salary: in the scale of Rs. 2,00,000 and 2,50,000/- P.M. for 2nd year and 3rd year respectively.

In addition to the above the Whole-Time Director is entitled to the following facilities:

- a) Free use of the Company's car with driver.
- b) Free telephone facility at residence.
- c) Encashment of Leave as per the rules of the Company.
- d) Club fee subject to maximum of two clubs. This will not include admission and life Membership fee.
- e) Provident fund, superannuation benefits and gratuity as per the rules of the Company subject to the ceilings as per the guidelines for managerial remuneration in force from time to time.
- f) Reimbursement of medical expenses incurred for self and family subject to a ceiling of one month's salary in a year or 2 months' salary over a period of 2 years.
- g) Leave Travel Concession for self & family once in a year as per the rules of the Company.

For and on behalf of the Board
B.N. Rathi Securities Limited

Place : Hyderabad
Date : 15.05.2017

Laxminiwas Sharma
Chairman



BOARD'S REPORT

To the Members,

The Directors have pleasure in presenting before you the 31st Director's Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2017.

1. FINANCIAL SUMMARY/HIGHLIGHTS, OPERATIONS, STATE OF AFFAIRS:

The performance during the period ended 31st March, 2017 has been as under:

(Rs. In Lakhs)

Particular	Standalone		Consolidate
	2016-2017	2015-2016	2016-17
Total Income	2127.27	1663.08	2870.82
Total Expenditure	1830.52	1469.37	2486.22
Profit Before Tax	296.75	193.71	384.60
Provision for Tax	105.26	66.53	133.75
Profit after Tax	191.49	127.18	250.85
Transfer to General Reserves	-	3.18	-
Profit available for appropriation	191.49	124.00	250.85
Provision for Proposed Dividend	-	40.32	-
Provision for Dividend Tax	-	8.21	-
Balance Carried to Balance Sheet	191.49	75.47	250.85

2. EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

There were no material changes and commitments affecting financial position of the company between 31st March and the date of Board's Report. (i.e. 15.05.2017)

3. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

During the period under review and the date of Board's Report there was no change in the nature of Business.

4. DIVIDEND:

The Directors are pleased to recommend a Dividend of Re.1.00 per share on the Paid up Equity Share Capital of the Company in respect of the financial year 2016-17. The total outgo on account of dividend, inclusive of dividend tax stands at Rs. 60,66,025/- for which necessary provision has been made in the accounts.

5. BOARD MEETINGS:

During the year, the Board of Directors duly met 4 (Four) times on 25.05.2016, 11.08.2016, 11.11.2016, 11.02.2017 and in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

6. CAPITAL OF THE COMPANY :

Authorized Share capital share capital of the company stands at Rs. 6,00,00,000/- (Rupees Six Crores Only) divided in to 60,00,000 equity shares of Rs.10/- each and the paid up capital of the company stand at Rs. 5,04,00,000(Rupees Five Crores Four Lakhs Only) divided in to 50,40,000 equity shares of Rs.10/- each.

POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE

1. Scope:

This policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent Directors of the Company.



2. Terms and References:

- 2.1 **“Director”** means a director appointed to the Board of a Company.
- 2.2 **“Nomination and Remuneration Committee** means the committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Reg 19 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.
- 2.3 **“Independent Director”** means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI(Listing obligations and Disclosure Requirements) Regulations, 2015.

3. Policy:

Qualifications and criteria

- 3.1.1 The Nomination and Remuneration Committee, and the Board, shall review on annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a board with diverse background and experience that are relevant for the Company's operations.
- 3.1.2 In evaluating the suitability of individual Board member the NR Committee may take into account factors, such as:
- General understanding of the company's business dynamics, global business and social perspective;
 - Educational and professional background
 - Standing in the profession;
 - Personal and professional ethics, integrity and values;
 - Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.
- 3.1.3 The proposed appointee shall also fulfill the following requirements:
- shall possess a Director Identification Number;
 - shall not be disqualified under the companies Act, 2013;
 - shall endeavour to attend all Board Meeting and wherever he is appointed as a Committee Member, the Committee Meeting;
 - shall abide by the Code of Conduct established by the company for Directors and senior Management personnel;
 - shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
 - Such other requirements as may be prescribed, from time to time, under the companies Act, 2013, Equity listing Agreements and other relevant laws.
- 3.1.4 The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the company's business.

3.2 Criteria of independence

- 3.2.1 The Nomination & Remuneration Committee shall assess the independence of Directors at time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interest or relationships are disclosed by a Director.



- 3.2.2 The criteria of independence shall be in accordance with guidelines as laid down in Companies Act, 2013 and Reg 16(1)(b) of SEBI(Listing obligations and Disclosure Requirements) Regulations, 2015.
- 3.2.3 The Independent Director shall abide by the “Code for Independent Directors “as specified in Schedule IV to the companies Act, 2013.

1.3 Other Directorships/ Committee Memberships

- 3.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as Director of the company. The Committee shall take into account the nature of, and the time involved in a Director service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.
- 3.3.2 A Director shall not serve as director in more than 20 companies of which not more than 10 shall be public limited companies.
- 3.3.3 A Director shall not serve an independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed company.
- 3.3.4 A Director shall not be a member in more than 10 committee or act chairman of more than 5 committee across all companies in which he holds directorships.

For the purpose of considering the limit of the committee, Audit committee and stakeholder's relationship committee of all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under section 8 of the Companies Act, 2013 shall be excluded.

Remuneration policy for Directors, key managerial personnel and other employees

1. Scope:

- 1.1 This policy sets out the guiding principles for the Nomination and Remuneration committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the company.

2. Terms and Reference:

In this policy the following terms shall have the following meanings:

- 2.1 **“Director”** means a Director appointed to the Board of the company.
- 2.2 **“key managerial personnel”** means
- (i) The Chief Executive Office or the managing director or the manager;
 - (ii) The company secretary;
 - (iii) The whole-time director;
 - (iv) The chief finance Officer; and
 - (v) Such other office as may be prescribed under the companies Act, 2013
- 2.3 **“Nomination and Remuneration Committee”** means the committee constituted by Board in accordance with the provisions of section 178 of the companies Act, 2013 and Reg 19 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.



3. Policy:

3.1 Remuneration to Executive Director and Key Managerial Personnel

- 3.1.1 The Board on the recommendation of the Nomination and Remuneration (NR) committee shall review and approve the remuneration payable to the Executive Director of the company within the overall approved by the shareholders.
- 3.1.2 The Board on the recommendation of the NR committee shall also review and approve the remuneration payable to the key managerial personnel of the company.
- 3.1.3 The Remuneration structure to the Executive Director and key managerial personnel shall include the following components:
 - (i) Basic pay
 - (ii) Perquisites and Allowances
 - (iii) Commission (Applicable in case of Executive Directors)
 - (iv) Retrial benefits
 - (v) Annual performance Bonus
- 3.1.4 The Annual plan and Objectives for Executive committee shall be reviewed by the NR committee and Annual performance Bonus will be approved by the committee based on the achievement against the Annual plan and Objectives.

3.2 Remuneration to Non – Executive Directors

- 3.2.1 The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Non – Executive Directors of the Company within the overall limits approved, if any, by the shareholders as per provisions of the companies act.
- 3.2.2 Non – Executive Directors shall be entitled to sitting fees attending the meetings of the Board and the Committees thereof. The Non- Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

3.3. Remuneration to other employees

- 3.3.1. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

7. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Company has received a declaration from Mr.Laxminiwas Sharma, Mr. K. Harish Chandra Prasad and Mrs. Shanti Sree Bolleni, Independent directors of the company to the effect that they are meeting the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

8. FAMILIARISATION PROGRAMMES:

The Company familiarises its Independent Directors on their appointment as such on the Board with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, etc. through familiarisation programme. The Company also conducts



orientation programme upon induction of new Directors, as well as other initiatives to update the Directors on a continuing basis. The familiarisation programme for Independent Directors is disclosed on the Company's website www.bnrsecurities.com

9. COMPOSITION OF AUDIT COMMITTEE:

- I. The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges read with Section 177 of the Companies Act, 2013.
- II. The terms of reference of the Audit Committee include a review of the following:
 - Overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.
 - Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
 - Discussion with external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 - Reviewing the financial statements and draft audit report including quarterly / half yearly financial information.
 - Reviewing with management the annual financial statements before submission to the Board, focusing on:
 1. Any changes in accounting policies and practices;
 2. Qualification in draft audit report;
 3. Significant adjustments arising out of audit;
 4. The going concern concept;
 5. Compliance with accounting standards;
 6. Compliance with stock exchange and legal requirements concerning financial statements and
 - 7. Any related party transactions
 - Reviewing the company's financial and risk management's policies.
 - Disclosure of contingent liabilities.
 - Reviewing with management, external and internal auditors, the adequacy of internal control systems.
 - Reviewing the adequacy of internal audit function, including the audit character, the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
 - Discussion with internal auditors of any significant findings and follow-up thereon.
 - Reviewing the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.



- Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- Reviewing compliances as regards the Company's Whistle Blower Policy.

III. The previous Annual General Meeting of the Company was held on 06.08.2016 and Chairman of the Audit Committee, attended previous AGM.

IV. The composition of the Audit Committee and the attendance of each member of the Audit Committee are given below:

The Company has complied with all the requirements of Regulation 27 of SEBI (LODR) Regulations 2015 relating to the composition of the Audit Committee. During the financial year 2016-2017, (4) four meetings of the Audit Committee were held on the 25.05.2016, 11.08.2016, 11.11.2016, 11.02.2017.

During the year, the audit committee was reconstituted in the Board Meeting held on 11.02.2017.

The details of the composition of the Committee post reconstitution and attendance of the members at the meetings are given below:

Name	Designation	Category	No. of Meetings held	No. of Meetings attended
Lakshmi Nivas Sharma	Chairman	NED(I)	4	4
Harish Chandra Prasad	Member	NED(I)	4	4
Shanti Sree Bolleni	Member	NED(I)	4	4
Hari Narayan Rathi*	Member	MD	4	0

NED (I) : Non Executive Independent Director

MD : Managing Director

*Appointed as member in the committee on 11.02.2017

V. NOMINATION & REMUNERATION COMMITTEE

During the year, the Nomination and Remuneration committee was reconstituted in the Board Meeting held on 11.02.2017.

The details of composition of the Committee post reconstitution are given below:

Name	Designation	Category	No. of Meetings held	No. of Meetings attended
Harishchandra Prasad	Chairman	NED(I)	1	1
Laxminiwas Sharma	Member	NED(I)	1	1
Shanti Sree Bolleni	Member	NED(I)	1	1
Hari Narayan Rathi*	Member	MD	1	0

NED (I): Non Executive Independent Director

MD: Managing Director

*Appointed as member in the committee on 11.02.2017

Terms of reference:

The main term of reference of the Committee is to approve the fixation/revision of remuneration of the Managing Director/Whole Time Director of the Company and while approving:

- To take into account the financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration etc.



- To bring out objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders.

Remuneration Policy:

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities shouldered, individual performance etc.

The details of remuneration paid to the Executive and Non Executive Directors for the financial year 2016-17 are given below:

Mr. Hari Narayan Rathi - Managing Director and Mr. Chetan Rathi -Whole time director have drawn a remuneration of Rs. 31,49,275/- and Rs. 17,70,000/- for the year ended 31.03.2017 respectively.

None of the Directors is drawing any Commission, Perquisites, Retirement benefits etc.,

VI. STAKEHOLDERS RELATIONSHIP COMMITTEE

A) Composition:

The Details of composition of the Committee are given below:

Name	Designation	Category
Mrs. Shanti Sree Bolleni	Chairperson	NED(I)
Mr. Laxminiwas Sharma	Member	NED(I)
Mr. K. Harishchandra Prasad	Member	NED(I)
Mr. Chetan Rathi	Member	ED

NED (I): Non Executive Independent Director

ED: Executive Director

B) Powers:

The Committee has been delegated with the following powers:

- To redress shareholder and investor complaints relating to transfer of shares, Dematerialization of Shares, non-receipt of Annual Reports, non-receipt of declared dividend and other allied complaints.
- To approve, transfer, transmission, and issue of duplicate / fresh share certificate(s)
- Consolidate and sub-division of share certificates etc.
- To redress, approve and dispose off any, other complaints, transactions and requests etc., received from any shareholder of the company and investor in general.

The Board has delegated the power to process the transfer and transmission of shares to the Registrar and Share Transfer Agents, who process share transfers within a week of lodgement in the case of shares held in physical form.

The Company has designated an exclusive e-mail ID called investorgrievances@bnrsecurities.com for complaints/grievances.

VII. RISK MANAGEMENT COMMITTEE AS PER REGULATION 21 OF SEBI (LODR) REGULATIONS, 2015

A) Composition:

The Details of composition of the Committee are given below:



Name	Designation	Category
Mr. K. Harishchandra Prasad	Chairman	NED(I)
Mrs. Shanti Sree Bolleni	Member	NED(I)
Mr. Chetan Rathi	Member	ED

NED (I) : Non Executive Independent Director

ED : Executive Director

Role and Responsibilities of the Committee includes the following:

- Framing of Risk Management Plan and Policy
- Overseeing implementation of Risk Management Plan and Policy
- Monitoring of Risk Management Plan and Policy
- Validating the process of risk management
- Validating the procedure for Risk minimisation.
- Periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes.
- Continually obtaining reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed.

B) RISK MANAGEMENT POLICY:

The Company follows a comprehensive system of Risk Management. The Company has adopted a procedure for assessment and minimization of probable risks. It ensures that all the risks are timely defined and mitigated in accordance with the well-structured risk management process.

10. COMPLIANCE WITH SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

In compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has framed the following policies which are available on Company's website i.e. www.bnrsecurities.com

- Board Diversity Policy**
- Policy on preservation of Documents**
- Risk Management Policy**
- Nomination and Remuneration Policy**
- Policy on material subsidiaries**
- Related party transaction policy.**

11. VIGIL MECHANISM:

Vigil Mechanism Policy has been established by the Company for directors and employees to report genuine concerns pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The same has been placed on the website of the Company.

12. DIRECTOR'S RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, and secretarial auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2016-17. Accordingly, pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:



- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The Directors had prepared the annual accounts on a going concern basis; and
- (e) The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

13. STATUTORY COMPLIANCE:

The Company has complied with the required provisions relating to statutory compliance with regard to the affairs of the Company in all respects.

14. UNPAID / UN CLAIMED DIVIDEND:

In terms of the provisions of the Companies Act, the Company is obliged to transfer dividends which remain unpaid or unclaimed for a period of seven years from the declaration to the credit of the Investor education and Protection Fund established by the Central Government. Accordingly, the Members are hereby informed that the 7 years period for payment of the dividend pertaining to financial year 2009-2010 will expire on 22nd October, 2017 and thereafter the amount standing to the credit in the said account will be transferred to the "Investor Education and Protection Fund" of the Central Government

The details of Dividend of earlier years remain unclaimed by the shareholders as on 31.03.2017 are as given below:

Financial Year	Date of Declaration of Dividend	Last Date of Claiming the Dividend	Unclaimed amount as on 31.03.2017 (in Rupees)	Due date for transfer to Investor Education and Protection Fund (IEPF)
2009-10	24.09.2010	23.09.2017	2,02,053	22.10.2017
2010-11	14.09.2011	13.09.2018	2,16,348	12.10.2018
2011-12	31.07.2012	30.07.2019	1,89,056	29.08.2019
2012-13	08.08.2013	07.08.2020	1,91,519	06.09.2020
2013-14	12.07.2014	11.07.2021	2,51,797	10.08.2021
2014-15	18.07.2015	17.07.2022	3,10,794	16.08.2022
2015-16	06.08.2016	05.08.2023	1,88,400	04.09.2023

Pursuant to provisions of Section 124 of Companies Act, 2013, the unclaimed dividend within the last date mentioned for the respective years, will be transferred to Investor Education and Protection Fund (IEPF) established by Government of India pursuant to Section 125 of the Companies Act, 2013.



15. INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES/ JOINT VENTURES:

M/s. B.N. Rathi Comtrade Private Limited and M/s. B.N. Rathi Industries Private Limited are wholly owned subsidiaries of the company.

16. DETAILS IN REPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO CENTRAL GOVERNMENT.

There were no frauds reported by the auditors as per section 143 (12)

17. RESERVES

The company has not transferred any amount to the reserves.

18. DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONS WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR.

During the year there were no appointments or resignation of Directors and Key Managerial Persons.

19. THE NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR.

No companies have become or ceased to be the subsidiaries, joint ventures or associate companies of the company.

20. EXTRACT OF ANNUAL RETURN:

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 as a part of this Annual Report **(FORMAT IN ANNEXURE I)**

21. STATUTORY AUDITORS:

M/s. Seshachalam & Co, Statutory Auditors of the company retires at the ensuing annual general meeting and is eligible for reappointment. As required under the provisions of Section 139 of the Companies Act, 2013, the Company has received a written consent from the auditors to their re-appointment and a certificate to the effect that their re-appointment, if made, would be in accordance with the Companies Act, 2013 and the rules framed there under and that they have satisfied the criteria provided in Section 141 of the Companies Act, 2013.

The Board recommends the re-appointment of M/s. Seshachalam & Co., as the statutory auditors of the Company from the conclusion of this Annual General meeting till the conclusion of the next Annual General Meeting.

22. INDIAN ACCOUNTING STANDARDS

The Ministry of Corporate Affairs vide its notification dated 16th February, 2015 has notified the Companies(Indian Accounting Standards) Rules, 2015. In pursuance of the said notification, the Company will adopt Indian Accounting Standards with effect from 01st April, 2017. The implementation of Indian Accounting Standards (IAS) is a major change process for which the Company has set up a dedicated team and is providing desired resources for its completion within the time frame. The impact of the change on adoption of said IAS is being assessed.

23. SECRETARIAL AUDIT:

Pursuant to the provisions of Section 134(3) (f) & Section 204 of the Companies Act, 2013, Secretarial audit report as provided by M/s. S. S. Reddy & Associates, Practicing Company Secretaries is annexed to this Report as an annexure.



24. QUALIFICATIONS IN AUDIT REPORTS:

Explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made -

(a) Statutory Auditors Report:

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2017 and has noted that the same does not have any reservation, qualification or adverse remarks. However, the Board decided to further strengthen the existing system and procedures to meet all kinds of challenges and growth in the market expected in view of the robust capital market in the coming years.

(b) Secretarial Audit Report:

The Board has duly reviewed the Secretarial Audit Report on the Compliances according to the provisions of section 204 of the Companies Act 2013, and the same does not have any reservation, qualifications or adverse remarks.

25. CONSOLIDATED FINANCIAL STATEMENTS

In compliance with the provisions of the Companies Act, 2013 and the Accounting Standards AS-21 and AS-27 on consolidated financial statements, the Directors have provided the consolidated financial statements for the financial year ended March 31, 2017 which forms part of the Annual Report.

26. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

The required information as per Sec.134 of the Companies Act 2013 is provided hereunder:

A. Conservation of Energy:

The Company's operations are not energy intensive. Adequate measures have been taken to conserve energy wherever possible by using energy efficient computers and purchase of energy efficient equipment.

B. Technology Absorption:

1. Research and Development (R&D): NIL
2. Technology absorption, adoption and innovation: NIL

C. Foreign Exchange Earnings and Out Go:

Foreign Exchange Earnings: NIL

Foreign Exchange Outgo: NIL

27. DETAILS RELATING TO DEPOSITS, COVERING THE FOLLOWING:

The Company has not accepted any deposits falling within the meaning of Sec.73, 74 & 76 of the Companies Act, 2013 read with the Rule 8(v) of Companies (Accounts) Rules 2014, during the financial year under review.

28. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:

During the period under review there were no significant and material orders passed by the regulators or Courts or Tribunals impacting the going concern status and the company's operations in future.

29. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The Company has well established procedures for internal control across its various locations,



commensurate with its size and operations. The organization is adequately staffed with qualified and experienced personnel for implementing and monitoring the internal control environment. The internal audit function is adequately resourced commensurate with the operations of the Company and reports to the Audit Committee of the Board.

The Board has appointed M/s. Penmetsa & Associates, Chartered Accountants, Hyderabad as internal Auditors in its meeting held on 15th May, 2017. Deviations are reviewed periodically and due compliance ensured. Summary of Significant Audit Observations along with recommendations and its implementations are reviewed by the Audit Committee and concerns, if any, are reported to Board.

30. INSURANCE:

The properties and assets of the Company are adequately insured.

31. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The company has not given loans, Guarantees or made any investments during the year under review.

32. CREDIT & GUARANTEE FACILITIES:

The Company has been availing facilities of Credit and Guarantee as and when required, for the business of the Company, from HDFC Bank Ltd and IndusInd Bank Ltd. Personal Guarantees were given by the Mr. Hari Narayan Rathi, Managing Director and Mr. Chetan Rathi, Whole-Time Director without any consideration for obtaining Bank Guarantees.

33. CORPORATE SOCIAL RESPONSIBILITY POLICY:

Since the Company does not have the net worth of Rs. 500 Crore or more, or turnover of Rs. 1000 Crore or more, or a net profit of Rs. 5 Crore or more during the financial year, section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is not applicable and hence the Company need not adopt any Corporate Social Responsibility Policy.

34. RELATED PARTY TRANSACTIONS:

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis.

The Directors draw attention of the members to Note 29 to the financial statement which sets out related party disclosures.

35. FORMAL ANNUAL EVALUATION:

As per section 149 of the Companies Act, 2013 read with clause VII (1) of the schedule IV and rules made thereunder, the independent directors of the company had a meeting on 11.02.2017 without attendance of non-independent directors and members of management. In the meeting the following issues were taken up:

- (a) Review of the performance of non-independent directors and the Board as a whole;
- (b) Review of the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- (c) Assessing the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The meeting also reviewed and evaluated the performance of non-independent directors. The company has 2 (two) non-independent directors namely:



- i) Shri Hari Narayan Rathi – Managing Director
- ii) Shri Chetan Rathi – Whole-Time Director cum CFO.

The meeting recognized the significant contribution made by Shri. Hari Narayan Rathi and Shri. Chetan Rathi, non- independent directors in the shaping up of the company and putting the company on accelerated growth path. They devoted more time and attention to bring up the company to the present level.

The meeting also reviewed and evaluated the performance the Board as whole in terms of the following aspects:

- Preparedness for Board/Committee meetings
- Attendance at the Board/Committee meetings
- Guidance on corporate strategy, risk policy, corporate performance and overseeing acquisitions and disinvestments.
- Monitoring the effectiveness of the company's governance practices
- Ensuring a transparent board nomination process with the diversity of experience, knowledge, perspective in the Board.
- Ensuring the integrity of the company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for financial and operational control and compliance with the law and relevant standards.

The meeting also noted that Shri. Laxminiwas Sharma, Chairman of the company has performed exceptionally well by attending board meetings regularly, by taking active participation in the discussion of the agenda and by providing required guidance from time to time to the company for its growth etc.

It was noted that the Board Meetings have been conducted with the issuance of proper notice and circulation of the agenda of the meeting with the relevant notes thereon.

36. DISCLOSURE ABOUT COST AUDIT:

Cost Audit is not applicable to the Company.

37. RATIO OF REMUNERATION TO EACH DIRECTOR:

Under section 197(12) of the Companies Act, 2013, and Rule 5(1)(2) & (3) of the Companies (Appointment & Remuneration) Rules, 2014 read with Schedule V of the Companies Act, 2013 a remuneration of Rs. 17,70,000/- is being paid to Shri. Chetan Rathi, Whole-Time director of the Company and a remuneration of Rs. 31, 49, 275/- is being paid to Shri. Hari Narayan Rathi, Managing Director of the Company.

38. LISTING WITH STOCK EXCHANGES:

The Company confirms that it has paid the Annual Listing Fees for the year 2017-2018 to Bombay Stock Exchange where the Company's Shares are listed.

39. CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:

Since the paid up capital of the Company is less than Rs. 10 Crores and Net worth of the Company is less than Rs. 25 Crores, Corporate Governance is Not Applicable.

40. INDUSTRY BASED DISCLOSURES AS MANDATED BY THE RESPECTIVE LAWS GOVERNING THE COMPANY

The Company is not a NBFC, Housing Companies etc., and hence Industry based disclosures is not required.



41. SECRETARIAL STANDARDS

EVENT BASED DISCLOSURES

During the year under review, the Company has not taken up any of the following activities:

1. Issue of sweat equity share: NA
2. Issue of shares with differential rights: NA
3. Issue of shares under employee's stock option scheme: NA
4. Disclosure on purchase by company or giving of loans by it for purchase of its shares: NA
5. Buy back shares: NA
6. Disclosure about revision: NA
7. Preferential Allotment of Shares: NA

42. Non-Executive Directors' Compensation and Disclosures

None of the Independent / Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

43. CEO/ CFO Certification

The Managing Director cum CEO and CFO certification of the financial statements for the year 2016-17 is annexed in this Annual Report.

44. EMPLOYEE RELATIONS:

The Directors are pleased to record their sincere appreciation of the contribution by the staff at all levels in the improved performance of the Company.

None of the employees is drawing a remuneration of Rs. 1,02,00,000/- and above per annum or Rs.8,50,000/- and above in aggregate per month, the limits prescribed under Section 197 of the Companies Act, 2013.

45. MEANS OF COMMUNICATION

1. Quarterly and half yearly reports are published in the newspapers.
2. Management Discussion and Analysis forms part of this Annual Report.

46. BOARD EVALUATION:

Pursuant to the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations, the Board has carried out an Annual Evaluation of its own performance, performance of the Directors and the working of its Committees. The Board's functioning was evaluated on various aspects, including inter alia degree of fulfilment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning.

The performance of the Board was evaluated based on a criterion that includes aspects like composition and structure of the Board, effectiveness of the Board process, information and functioning of the Board etc. Evaluation of the Committees performance was based on the criteria like composition, its terms of the reference and effectiveness of committee meetings, etc., Individual Director's performance evaluation is based on their preparedness on the issues to be discussed, meaningful and constructive discussions and their contribution to the Board and Committee meetings. The Chairperson was evaluated mainly on key aspects of his role. These performance exercises were conducted seeking inputs from all the Directors / Committee Members wherever applicable.



The evaluation process was carried out internally in FY 2016- 2017, each Board member completed a questionnaire on the other Board members for peer evaluation and a questionnaire to provide feedback on Board, its Committees and their functioning. The Directors were evaluated on parameters such as level of engagement and participation, flow of information, independence of judgment, conflicts resolution, attendance, contribution at Board/Committee Meetings and guidance/support to the Management outside Board/ Committee Meetings and their contribution in enhancing the Board's overall effectiveness.

The Nomination and Remuneration Committee reviewed the performance of the individual directors. A separate meeting of the individual directors was also held to review the performance of Non-independent directors, performance of the Board as a whole and performance of the Chairperson of the Company taking into account the views of all the Directors.

The peer rating on certain parameters, positive attributes and improvement areas for each Board member was also provided to them in a confidential manner. The feedback obtained from the interventions was discussed in detail and, where required, independent and collective action points for improvement were put in place.

47. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy.

The following is the summary of sexual harassment complaints received and disposed during the calendar year.

No. of complaints received : Nil

No. of complaints disposed off : Nil

48. DETAILS ON GENERAL BODY MEETINGS:

A. LOCATION, DATE AND TIME OF LAST THREE AGMS AND SPECIAL RESOLUTIONS THERE AT AS UNDER:

Financial Year	Date	Time	Location	Special / Ordinary Resolution
2015-16	06/08/2016	10.00 A.M	Hotel Mercure Hyderabad KCP, 6-3-551, Somajiguda, Hyderabad - 500 082.	1. Re-appointment of Mr. Hari Narayan Rathi, Managing Director.
2014-15	18.07.2015	10.00 A.M.	Hotel Katriya, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082.	1. Appointment of Mrs. Shanti Sree Bolleni as Independent director of the Company 2. Re-appointment of Mr. Chetan Rathi as Whole-Time Director 3. To issue shares on Rights Issue. 4. Amendment of Articles of Association of the Company.



2013-14	12.07.2014	10.00 A.M	Hotel Inner Circle, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082.	<ol style="list-style-type: none"> 1. Appointment of Mr. Laxminiwas Sharma as Independent director of the Company. 2. Appointment of Mr. K Harishchandra Prasad as Independent Director of the Company. 3. Appointment of Mr.T.S. Suryanarayana Murthy as Independent Director of the Company.
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B. ATTENDANCE OF EACH DIRECTOR AT BOARD MEETING HELD DURING THE YEAR AND LAST ANNUAL GENERAL MEETING :

Name of Director	Category of Directorship	Attendance Particulars		
		Last AGM 06.07.2016	Board meetings '16-17'	
			held	attended
Mr. Laxminiwas Sharma	Non Executive Chairman & Independent Director	Yes	4	4
Mr. Hari Narayan Rathi	Managing Director	Yes	4	4
Mr. K. Harishchandra Prasad	Non Executive & Independent Director	Yes	4	4
Mrs. Shanti Sree Bolleni	Non Executive & Independent Director	No	4	3
Mr. Chetan Rathi	Whole-Time Director Cum CFO	Yes	4	4

C. PASSING OF RESOLUTIONS BY POSTAL BALLOT

There were no resolutions passed by the Company through Postal Ballot during the financial year 2016-17.

48. ACKNOWLEDGEMENTS:

The Directors wish to place on record their appreciation of the contribution made by the employees at all levels, to the continued growth and prosperity of the Company.

The Directors also wish to place on record their appreciation of business constituents, banks and other financial institutions and shareholders of the Company, SEBI, BSE, NSE, MCX, NSDL, CDSL, Canara Bank, HDFC Bank etc. for their continued support for the growth of the Company.

For and on behalf of the Board
B.N. Rathi Securities Limited

Place : Hyderabad
Date : 15.05.2017

Laxminiwas Sharma
Chairman



B.N. RATHI SECURITIES LIMITED

L65993TG1985PLC005838

Certificate of Code of Conduct for the year 2016-17

The shareholders

I, Hari Narayan Rathi , Managing Director of the Company do hereby declare that the directors and senior management of the Company have exercised their authority and powers and discharged their duties and functions in accordance with the requirements of the code of conduct as prescribed by the company and have adhered to the provisions of the same.

For and on behalf of the Board
For **B. N. Rathi Securities Limited**

Place : Hyderabad
Date : 15.05.2017

Hari Narayan Rathi
Managing Director



MANAGEMENT DISCUSSION & ANALYSIS

Overview

We always want to look ahead and push ourselves to reinvent and reinnovate. We took this opportunity to be introspective and realised our core strengths. We do not see these restrictions as a hurdle but an opportunity to explore new markets and new fields. We believe that with over 30 years of combined management experience in the capital markets and corporate space in India enable us to be competent in this field.

Internal Control & Adequacy

The company has adequate internal control system to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition.

Risk Management System

The company manages our business risk through strict compliance and internal control system.

Risk and Concerns

Any adverse change in the financial services business or negative policy of Government will affect the company's sector adversely.

Outlook

Company is focusing on service-based activities. The company is planning to enter the management consulting and fund syndication space. We believe that with over 30 years of combined management experience in the capital markets and corporate space in India enable the company to be competent in this field. The company has decided to venture into different business through investments in subsidiaries company.

Human Resource

Company has adequate trained and well experienced personnel. Our employees are highly motivated and work in line of the organizational goal.

Cautionary Statement

The statements made in this report describe the Company's objectives and projections that may be forward looking statements within the meaning of applicable laws and regulations. The actual results might differ materially from those expressed or implied depending on the economic conditions, government policies and other incidental factors, which are beyond the control of the Company.



FORM MR-3

SECRETARIAL AUDIT REPORT

(Pursuant to section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

To

The Members of

M/s. B.N. Rathi Securities Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. B.N. Rathi Securities Limited (hereinafter called "the Company"). Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the financial year commencing from 1st April, 2016 to 31st March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. B.N.Rathi Securities Limited ("The Company") for the financial year ended on 31st March, 2017, according to the provisions of:
 - i. The Companies Act, 2013 (the Act) and the rules made there under for specified sections notified and came in to effect from 12th September, 2013 and sections and Rules notified and came in to effect from 1st April, 2014; and there after
 - ii. The Securities Contracts (Regulation) Act, and there after 1956 ('SCRA') and the Rules made there under;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.
 - iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment (FDI) and Overseas Direct Investment and External Commercial Borrowings;
 - v. The Securities and Exchange Board of India Act, 1992 ('SEBI Act')
2. Compliance status in respect of the provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) is furnished hereunder for the financial year 2016-17.
 - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; Complied with yearly and event based disclosures.
 - ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not Applicable as the company has not issued any shares during the year under review.**
 - iii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable as the company has not delisted/ proposed to delist its equity shares during the year under review.**



- iv. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable as the Company has not bought back/ proposed to buy-back any of its securities during the year under review.**
- v. The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client; **Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the year under review.**
- vi. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable as the Company has not issued any debt securities during the year under review.**
- vii. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **Not Applicable as the Company has not issued any Employee Stock Options during the year under review.**
- viii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 Insider Trading Regulations; **The Company has framed code of conduct for regulating & reporting trading by insiders and for fair disclosure and displayed the same on the Company's website i.e. www.bnrsecurities.com.**
- ix. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 were complied with to the extent applicable and
 - The Company has framed the policies as mentioned below and displayed the same on the Company's website i.e. www.bnrsecurities.com
 - ✿ Board Diversity Policy
 - ✿ Policy on preservation of Documents
 - ✿ Risk Management Policy
 - ✿ Whistle Blower Policy
 - ✿ Related Party Transaction Policy
 - ✿ Nomination and Remuneration Policy
 - ✿ Policy on Material Subsidiaries

3. During the year the Company has conducted 4 Board meetings, 4 Audit committee meetings, 1 meeting of Nomination & Remuneration Committee, 4 Stakeholder Relationship Committee Meeting and 1 Independent Directors meeting. We have also examined compliance with the applicable clauses.

4. During the financial year under report, the Company has complied with the provisions of the New Companies Act, 2013, Old Companies Act, 1956 to the extent applicable and the Rules, Regulations, Guidelines, Standards, etc.,

We further report that the compliance by the Company of applicable financial laws like Direct and Indirect tax laws has not been reviewed thoroughly in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

OBSERVATIONS:

- (a) As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, **we report that**
 - (i) the provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of:



- External Commercial Borrowings were not attracted to the Company under the financial year under report;
 - Foreign Direct Investment (FDI) was not attracted to the company under the financial year under report;
 - Overseas Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary abroad was not attracted to the company under the financial year under report.
- (ii) As per the information and explanations provided by the company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ADRs or any Commercial Instrument under the financial year under report.
- (b) **We further report that:**
- (i) The Company has Company Secretary namely Mrs. G. Sabitha Reddy and CFO namely Mr. Chetan Rathi.
 - (ii) The Company has internal auditors namely M/s. Penmetsa & Associates, Chartered Accountants, Hyderabad.
 - (iv) The Company is regular in deducting and paying TDS under the Income Tax Act.
 - (v) The Company has paid PF and ESI to the respective authorities.
 - (vi) The Company also has collected stamp duty and service tax on behalf of the clients and paid to the respective authorities.
 - (vii) The Company is a registered member of NSE, BSE and MCX-SX apart from having DP connectivity with CDSL. From time to time there were inspection of books, accounts, records of the company by the above said authorities and the observations given there on have also been complied with by the Company.

For **S.S. Reddy & Associates**

Place : Hyderabad
Date : 15.05.2017

S.Sarveswar Reddy
Practicing Company Secretaries
C.P.No: 7478



B.N. RATHI SECURITIES LIMITED

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Annexure A

To
The Members of
M/s. B.N.Rathi Securities Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
4. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
5. The secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For S.S. Reddy & Associates

Place : Hyderabad
Date : 15.05.2017

S.Sarveswar Reddy
Practicing Company Secretaries
C.P.No.: 7478



CERTIFICATE BY THE CEO AND CFO OF THE COMPANY

To

The Board of Directors

Dear Sirs,

As required under Regulation 17(8) read with Part B, Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we state that:

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March 2016 and to the best of our knowledge and belief;
 - a. These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading, and
 - b. These statements present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. There are, to the best of my knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls, I have evaluated the effectiveness of the internal control systems of the company and I have disclosed to the auditors and the audit committee, deficiencies in the design or the operation of internal controls, if any, of which I was aware and the steps that I have taken or propose to take and rectify the identified deficiencies and,
4. That we have informed the auditors and the audit committee of:
 - a) Significant changes in the internal control during the year;
 - b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c) Instances of significant fraud of which we have become aware and the involvement of any employee having a significant role in the company's internal control system.

For and on behalf of the Board
For **B. N. Rathi Securities Limited**

Place : Hyderabad
Date : 15.05.2017

Hari Narayan Rathi
CEO

Chetan Rathi
CFO

**DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT /
UNCLAIMED SUSPENSE ACCOUNT**

As per Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company hereby discloses the details of unpaid/unclaimed dividend and the respective share thereof as follows:

Aggregate No. of Shareholders and the outstanding shares in the suspense account at the beginning of the year.	No. of shareholders who approached the company for transfer of shares from suspense account during the year.	No. of shareholders to whom shares were transferred from suspense account during the year.	Aggregate No. of Shareholders and the outstanding shares in the suspense account at the end of the year.
Nil	Nil	Nil	Nil

***** Voting Right on these shares shall remain frozen till the rightful owner of such shares claims the shares.***



MGT 9

Extract of Annual Return

As on the Financial Year 31.03.2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS :

i	CIN	L65993TG1985PLC005838
ii	Registration Date	30.09.1985
iii	Name of the Company	B N. Rathi Securities Limited
iv	Category / Sub-Category of the Company	Company limited by shares / Non-Government Company
v	Address of the Registered office and contact details	6-3-652, IV Floor, Kautilya, Amrutha Estates, Somajiguda, Hyderabad, Telangana -500082
vi	Whether listed company Yes / No	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500032. Phone Number : 040-67162222, 67161526 Fax: 040-23001153

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Name and Description of main products /services	NIC Code of the Product / service	% to total turnover of the company
1. Share Broking	NA	82
2. Interest on FD's	NA	12

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-

Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1. B.N. Rathi Comtrade Private Limited	U74900TG2008PTC060088	Subsidiary Company	100%	2(87)
2. B.N. Rathi Industries Private Limited	U45209TG2012PTC082486	Subsidiary Company	100%	2(87)



IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding :

Category of Share holders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(1) Indian									
Individual/HUF	23,08,954	0	23,08,954	45.81	23,08,954	0	23,08,954	45.81	0
Central Govt	0	0	0	0	0	0	0	0	0
State Govt (s)	0	0	0	0	0	0	0	0	0
Bodies Corp.	0	0	0	0	0	0	0	0	0
Banks / FI	0	0	0	0	0	0	0	0	0
Any Other....	0	0	0	0	0	0	0	0	0
Sub-total(A) (1)	23,08,954	0	23,08,954	45.81	23,08,954	0	23,08,954	45.81	0
(2) Foreign									
a) NRIs									
Individuals	0	0	0	0	0	0	0	0	0
b) Other									
Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other...	0	0	0	0	0	0	0	0	0
Sub-total(A) (2)	0	0	0	0	0	0	0	0	0
Totalshare holding of Promoter (A)= (A)(1)+(A)(2)	23,08,954	0	23,08,954	45.81	23,08,954	0	23,08,954	45.81	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Fund	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
2. Non Institutions									
a) Bodies Corp.									0
i) Indian	2,12,587	2,550	2,15,137	4.27	1,51,883	1,550	1,50,333	3.01	3.31
ii) Overseas	0	0	0	0	0	0	0	0	0



b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs.2lakhs	9,67,144	3,85,371	13,52,515	26.84	13,77,186	3,76,059	10,01,127	27.33	9.24
ii) Individual shareholders holding nominal share capital in excess of Rs.2 lakhs	10,54,295	1,01,489	11,55,784	22.93	9,80,416	46,850	9,33,566	19.45	13.33
c) Others (specify)									
1. NRI	5,209	0	5,209	0.10	2,12,411	0	2,12,411	4.21	0.05
2. Clearing Members	2,401	0	2,401	0.05	5,190	0	5,190	0.10	0.53
3. NRI Non Repat	-	-	-	-	3,960	0	3,960	0.08	-
Sub-total (B)(2) Total Public Shareholding (B)=(B)(1)+(B)(2)	22,41,636	4,89,410	27,31,046	54.19	27,31,046	4,24,459	23,06,587	54.19	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	21,09,097	4,10,903	25,20,000	100	45,50,590	4,89,410	50,40,000	100	0

(ii) Shareholding of promoters

Share holder's name	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
1. Hari Narayan Rathi	1571490	Nil	1571490	31.18	1571490	Nil	1571490	31.18	Nil
2. Chetan Rathi	348534	Nil	348534	6.92	348534	Nil	348534	6.92	Nil
3. Chanda Devi Rathi	262406	Nil	262406	5.21	252406	Nil	262406	5.21	Nil
4. Nisha Rathi	126524	Nil	126524	2.51	126524	Nil	126524	2.51	Nil



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(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Share holder's name	Shareholding at the beginning of the year		Shareholding at the end of the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1. Hari Narayan Rathi At the beginning of the year Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g.allotment /transfer / bonus/sweat equity etc): At the End of the year	1571490	31.18	-	-
2. CHETAN RATHI At the beginning of the year Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g.allotment /transfer / bonus/sweat equity etc): At the End of the year	348534	6.92	-	-
3. CHANDA DEVI RATHI(PROMOTER GROUP) At the beginning of the year Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g.allotment /transfer / bonus/sweat equity etc): At the End of the year	262406	5.21	-	-
4. NISHA RATHI (PROMOTER GROUP) At the beginning of the year Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g.allotment / transfer / bonus/sweat equity etc): At the End of the year	126524	2.51	-	-



(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) :

Sl. No.	Shareholder Name	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	MADANLAL LALIT KOTHARI At the beginning of the year Changes during the year		Opening balance	0		0	
		05/08/2016	Purchase	10	0	10	0.00
		12/08/2016	Purchase	1796	0.04	1806	0.04
		02/09/2016	Purchase	100	0.00	1906	0.04
		09/09/2016	Purchase	2054	0.04	3960	0.08
		16/09/2016	Purchase	17200	0.34	21160	0.42
		23/09/2016	Purchase	11043	0.22	32203	0.64
		30/09/2016	Purchase	3372	0.07	35575	0.71
		07/10/2016	Purchase	28057	0.56	63632	1.26
		14/10/2016	Purchase	28162	0.56	91794	1.82
		21/10/2016	Purchase	14055	0.28	105849	2.10
		28/10/2016	Purchase	22659	0.45	128508	2.55
		04/11/2016	Sale	40512	0.80	87996	1.75
		11/11/2016	Purchase	4000	0.08	91996	1.83
		09/12/2016	Purchase	97	0.00	92093	1.83
		20/01/2017	Purchase	203	0.00	92296	1.83
		27/01/2017	Purchase	8384	0.17	100680	2.00
		03/02/2017	Purchase	16528	0.33	117208	2.33
		10/02/2017	Sale	1000	0.02	116208	2.31
		17/02/2017	Purchase	42142	0.84	158350	3.14
		24/02/2017	Purchase	20548	0.41	178898	3.55
		03/03/2017	Purchase	30500	0.61	209398	4.15
		31/03/2017	Closing Balance			209398	4.15
2	PURSHOTTAM CHANDAK HUF At the beginning of the year At the End of the Year	01/04/2016	Opening Balance	143700	2.85	143700	2.85
		31/03/2017	Closing Balance			143700	2.58
3	SUNIL KUMAR LAHOTI At the beginning of the year Changes during the year At the End of the Year	01.04.2016	Opening Balance	0	0	0	0
		21/10/2016	Purchase	130000	2.58	130000	2.58
		31/03/2016	Closing Balance	-	-	130000	2.58
4	ASHOK KUMAR MANDHANI At the beginning of the year Changes during the year At the End of the Year	01/04/2017	Opening	92181	1.83	92181	1.83
		-	-	-	-	-	-
		31/03/2016	Closing Balance	-	-	92181	1.83
5	ARCHANA MANDHANI At the beginning of the year Changes during the year At the End of the Year		Opening Balance	92181	1.83	92181	1.83
		31/03/2016	Closing Balance			92181	1.83



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6	CH RAVI KUMAR		Opening				
	At the beginning of the year		Balance	62000	1.23	62000	1.23
	Changes during the year	09/09/2016	Purchase	2100	0.04	64100	1.27
		16/09/2016	Purchase	2000	0.04	66100	1.31
		23/09/2016	Purchase	1000	0.02	67100	1.33
		07/10/2016	Purchase	900	0.02	68000	1.35
		13/01/2017	Purchase	1000	0.02	69000	1.37
	At the end of the year	31/03/2017	Closing Balance	-	-	69000	1.37
7	PUSHPANJALI GOLLAPUDI		Opening				
	At the Beginning of the year	01.04.2016	Balance	50000	0.99	50000	0.99
	At the end of the Year	31/03/2017	Closing balance			50000	0.99
8	SAVITA ARYA		Opening				
	At the beginning of the year	01.04.2016	balance	0	0.00	0	0.00
	Changes during the year	03.02.2017	Purchase	16500	0.33	16500	0.33
		10.02.2017	Purchase	11100	0.22	27600	0.55
		17.02.2017	Purchase	7600	0.15	35200	0.70
		24.02.2017	Purchase	9800	0.19	45000	0.89
		03.03.2017	Purchase	3100	0.06	48100	0.95
		10.03.2017	Purchase	1900	0.04	50000	0.99
	At the End of the year	31/03/2017	Closing Balance			50000	0.99
9	MURALI KRISHNA A		Opening				
	At the beginning of the year	01.04.2016	Balance	4000	0.08	4000	0.08
	Changes during the year	05.08.2016	Sale	4000	0.08	0	0
		09.09.2016	Purchase	15999	0.32	15999	0.32
		16.09.2016	Purchase	9092	0.18	25091	0.50
		23.09.2016	Purchase	3908	0.08	28999	0.58
		30.09.2016	Purchase	1000	0.02	29999	0.60
		07.10.2016	Purchase	150	0.00	30149	0.60
		13.01.2017	Purchase	2850	0.06	32999	0.65
		20.01.2017	Purchase	3000	0.06	35999	0.71
		27.01.2017	Purchase	251	0.00	36250	0.72
		03.02.2017	Purchase	500	0.01	36750	0.73
		10.02.2017	Purchase	101	0.00	36851	0.73
		17.02.2017	Purchase	599	0.01	37450	0.74
		24.02.2017	Purchase	949	0.02	38399	0.76
		03.03.2017	Purchase	1661	0.03	40060	0.79
		17.03.2017	Purchase	20	0.00	40080	0.80
		31.03.2017	Purchase	8038	0.16	48118	0.95
	At the end of the year	31/03/2017	Closing Balance			48118	0.95
10	NIRMAN SHARE BROKERS PVT. LTD.		Opening				
	At the beginning of the year	01.04.2016	Balance	78574	1.56	78574	1.56
		08.04.2016	Sale	100	0.00	78474	1.56
		15.04.2016	Sale	200	0.00	78274	1.55



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	22.04.2016	Sale	7954	0.16	70320	1.40
	06.05.2016	Sale	100	0.00	70220	1.39
	27.05.2016	Purchase	300	0.01	70520	1.40
	01.07.2016	Purchase	100	0.00	70620	1.40
	22.07.2016	Sale	100	0.00	70520	1.40
	29.07.2016	Sale	100	0.00	70420	1.40
	19.08.2016	Sale	100	0.00	70320	1.40
	26.08.2016	Sale	500	0.01	69820	1.39
	16.09.2016	Sale	100	0.00	69720	1.38
	21.10.2016	Sale	25	0.00	69695	1.38
	28.10.2016	Sale	95	0.00	69600	1.38
	04.11.2016	Sale	1000	0.02	68600	1.36
	11.11.2016	Sale	26600	0.53	42000	0.83
	18.11.2016	Purchase	40	0.00	42040	0.83
	31.03.2017	Sale	40	0.00	42000	0.83
At the end of the year	31/03/2016	Closing Balance			42000	0.83

(v) Shareholding of Directors and Key Managerial Personnel :

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Hari Narayan Rathi At the beginning of the year Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): At the End of the year	1571490	31.18	- 1571490	- 31.18
2	Chetan Rathi At the beginning of the year Date wise Increase / Decrease in Promoters Share Holding during the year Specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc): At the End of the year	348534	6.92	- 348534	- 6.92



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V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i. Principal Amount ii. Interest due but not paid iii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)				
Change in Indebtedness during the financial year Addition Reduction	-	-	-	-
Net Change				
Indebtedness at the end of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due	-	-	-	
Total (i+ii+iii)				

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager :

Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
	Hari Narayan Rathi MD	Chetan Rathi WTD/CFO		
1. Gross salary (a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961 (b) Value of perquisites u/s17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	31,49,275	17,70,000	-	49,19,275
2. Stock Option	-	-	-	
3. Sweat Equity	-	-	-	
4. Commission - as % of profit - Others, specify...	-	-	-	
5. Others, please specify	-	-	-	
6. Total (A)	-	-		49,19,275
7. Ceiling as per the Act				



B. Remuneration to other directors :

Particulars of Remuneration	Name of Director			Total Amount
	Mr. Laxminivas Sharma	Mr. Harish-chandra Prasad	Mr. Shanthi Sree Bolleni	
Independent Directors Fee for attending board / committee meetings Commission Others, please specify	49,000	49,000	34,000	1,30,000
Total (1)	49,000	49,000	34,000	1,30,000
Other Non-Executive Directors Fee for attending board / committee meetings commission Others, please specify	-	-	-	-
Total (2)	-	-	-	-
Total (B) = (1 + 2)	49,000	49,000	34,000	1,30,000
Total Managerial Remuneration Overall Ceiling as per the Act				

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTd

Particulars of Remuneration	Key Managerial Personnel			Total
	CEO	Company Secretary (G. Sabitha Reddy)	CFO	
1. Gross salary	-	3,72,000	-	3,72,000
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
(b) Value of perquisites u/s17(2) Income-tax Act, 1961				
(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961				
2. Stock Option				
3. Sweat Equity				
4. Commission - as % of profit - others, specify...				
5. Others, please specify				
6. Total		3,72,000		3,72,000



VII. Penalties / Punishment / Compounding of Offences :

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF B.N.RATHI SECURITIES LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying financial statements of B.N.Rathi Securities Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally



accepted in India of the state of affairs of the Company as at March 31, 2017, its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016;
 - (e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 2 to this report;
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) the Company does not have any pending litigations which would impact its financial position
 - ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) there has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv) the Company has provided requisite disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 35 to the standalone financial statements.

For Seshachalam & Co.,

Chartered Accountants

Firm Registration Number. 003714S

T. Bharadwaj

Partner

Membership No. 201042

Place : Hyderabad

Date : 15.05.2017



Annexure 1 to the Independent Auditors' Report

Re: B.N.Rathi Securities Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given to us, the Company has no immovable property. Accordingly, the provisions of clause 3(i) (c) of the Order are not applicable to the Company and hence not commented upon.
- (ii) To the best of our knowledge and as explained, the Company is not in business of sale of goods. Therefore, in our opinion the provisions of clause 3(ii) of the Companies (Auditors' Report) Order, 2016 is not applicable to the Company and hence not commented upon.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits from the public.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under section 148(1) of the Companies Act, 2013, for the products/ services of the Company.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, service tax, and other statutory dues applicable to it. Provisions of sales-tax, customs duty, excise duty, value added tax and cess are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, service tax and other material statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable. Provisions of sales-tax, customs duty, excise duty, value added tax and cess are not applicable to the Company.
- (c) There are no dues of provident fund, employees' state insurance, income tax, service tax and other material statutory dues which have not been deposited on account of any dispute.
- (viii) The Company has not defaulted in repayment of loans taken from banks.
- (ix) No moneys were raised by way of initial public offer or further public offer (including debt instruments). Term loans taken were applied for the purposes for which those were taken.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud on or by the officers and employees of the Company has been noticed or reported during the year.

**B.N. RATHI SECURITIES LIMITED**

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- (xi) According to the information and explanations given to us, the managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act 2013.
- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For Seshachalam & Co.,
Chartered Accountants
Firm Registration Number. 003714S

T. Bharadwaj
Partner
Membership No. 201042

Place : Hyderabad
Date : 15.05.2017



Annexure 2 to the Independent Auditor's report of even date on the standalone financial statements of B.N. Rathi Securities Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

**TO THE MEMBERS OF
B.N. RATHI SECURITIES LIMITED**

We have audited the internal financial controls over financial reporting of B.N.Rathi Securities Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Control over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect



the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Explanatory paragraph

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the standalone financial statements of the Company, which comprise the Balance Sheet as at March 31, 2017, and the related Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, and our report dated May 15, 2017 expressed an unqualified opinion.

For Seshachalam & Co.,
Chartered Accountants
Firm Registration Number. 003714S

Place : Hyderabad
Date : 15.05.2017

T. Bharadwaj
Partner
Membership No. 201042

**Group information and Summary of significant accounting policies****1. Corporate Information:**

B.N.Rathi Securities Limited ("BNRSL" or "the Company") was incorporated under the Companies Act, 1956 ("the Act") on September 30, 1985.

The Company is primarily engaged in the business of broking in securities. The Company also deals in depository operations and institutional equities. The Company is listed on Bombay Stock Exchange Limited ("BSE").

Basis of preparation of financial statements

The financial statements are prepared with generally accepted accounting principles in India under the historical cost convention and on an accrual basis of accounting.

These financial statements are prepared in accordance with Indian Accounting Standards (AS) under the historical cost convention on the accrual basis, the provisions of the Companies Act, 2013 ('Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI) and pronouncements of The Institute of Chartered Accountants of India ('ICAI').

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

2. Significant Accounting Policies:**Use of estimates**

The preparation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual results and estimates are recognized in the year in which results are known / materialized.

Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

a) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Income from Brokerage

Brokerage income on securities is recognised as per contracted rates at the execution of transactions on behalf of the clients on the trade date

Other operating revenue

Other operating revenue includes income from business related to brokerage and is recognized based on the terms agreed with the clients when the services are rendered.

Interest income:

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other income" in the statement of profit and loss.

Dividends

Dividend income is recognized when the unit holder's right to receive dividend is established by the reporting date.

**b) Property, plant and equipment*****Tangible Assets:***

Property, plant and equipment are stated at cost less accumulated depreciation and impairment. Subsequent expenditure related to items of Property, plant and equipment is added to its book value only if it increases the future benefits from the existing assets beyond its previously assessed standard of performance. Losses arising from the retirement of, and gains or losses arising from disposal of tangible assets which are carried at cost are recognised in the Statement of Profit and Loss.

Intangible Assets:

Intangible Assets are recognized only if it is probable that the future economic benefits that are attributable to assets will flow to the enterprise and the cost of the assets can be measured reliably. Intangible assets are recorded at cost and carried at cost less accumulated amortization and impairment. Intangible assets are amortised over their estimated useful lives.

c) Depreciation and Amortization

Depreciation and Amortization on Property, plant and equipment is provided on Written down value method at the rates specified in Schedule II of the Companies Act, 2013 on pro-rata basis.

Individual Property, plant and equipment costing Rs. 5,000 and below are fully depreciated in the year of purchase.

d) Employee Benefits***Provident Fund:***

Contributions paid/ payable under defined contribution plans are recognized in the Statement of Profit and Loss in each year. Contribution plans primarily consists of Provident Fund administered and managed by the Government of India. The Company makes monthly contributions and has no further obligations under the plan beyond its contributions.

Gratuity:

The Company operates a defined benefit plan for its employees, viz., gratuity. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out for the plan using the projected unit credit method. Actuarial gains and losses for the defined benefit plan are recognized in full in the period in which it occurs in the statement of profit and loss.

e) Leases

Assets acquired under Leases where a significant portion of the risks and rewards of the ownership are retained by the lessor are classified as Operating Leases. The rentals and all the other expenses of assets under operating lease for the period are treated as revenue expenditure.

f) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

g) Taxation:

- (i) Current tax is determined based on the amount of tax payable in respect of taxable income for the year.
- (ii) Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax asset, on timing differences, being the differences between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent years. Deferred Tax Assets are recognised and carried forward



only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

- (iii) Provision for taxation for the period(s) is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income Tax Act, 1961.
- (iv) Deferred Tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company re-assesses unrecognized deferred tax assets, if any.
- (v) Current tax assets and liabilities are offset when there is a legally enforceable right to set off the recognised amount and there is intention to settle the assets and the liabilities on a net basis.
- (vi) Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing the current tax and where the deferred tax and liabilities relate to taxes on income levied by the same governing taxation laws.

h) Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

i) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

j) Impairment

Assets are reviewed for impairment at each balance sheet date. In case, events and circumstances indicate any impairment, the recoverable amount of these assets is determined. An asset is impaired when the carrying amount of the asset exceeds its recoverable amount. An impairment loss is charged to the Statement of Profit and Loss in the period in which an asset is defined as impaired. An impairment loss recognized in prior accounting periods is adjusted/ reversed if there has been a change in the estimate of the recoverable amount and such loss either no longer exists or has decreased.

k) Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

l) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.


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(All amounts in Indian Rupees, unless otherwise stated)

Balance Sheet as at 31st March, 2017

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016
I EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	3	5,04,00,000	5,04,00,000
(b) Reserves and Surplus	4	10,87,30,012	8,95,81,155
(2) Non- Current Liabilities			
(a) Long-Term Borrowings	5	3,30,681	15,78,910
(b) Long-Term Provisions	6	22,94,111	23,25,364
(3) Current Liabilities			
(a) Short-term borrowings	7	10,778	-
(b) Trade Payables	8		
Total outstanding dues of micro and small enterprises		-	-
Total outstanding dues of creditors other than micro and small enterprises		23,12,49,429	21,39,24,607
(c) Other Current Liabilities	9	1,14,24,820	1,01,12,846
(d) Short-Term Provisions	10	2,22,298	49,61,103
Total :		40,46,62,129	37,28,83,985
II ASSETS			
(1) Non-Current Assets			
(a) Property, plant and equipment	11		
(i) Tangible Assets	11A	28,39,154	47,48,361
(ii) Intangible Assets	11B	2,49,123	73,463
(b) Non-Current Investments	12	1,50,00,000	1,50,00,000
(c) Deferred Tax Assets	13	25,94,443	29,03,459
(d) Long Term Loans and Advances	14	1,47,74,864	2,50,29,264
(e) Other Non-Current Assets	15	18,00,000	-
(2) Current Assets			
(a) Stock-In-Trade	16	8,16,945	16,69,207
(b) Trade Receivables	17	8,79,34,528	4,44,70,858
(c) Cash and bank balances	18	12,91,54,029	16,46,79,917
(d) Short-Term Loans and Advances	19	14,38,96,600	10,83,96,587
(e) Other Current Assets	20	56,02,443	59,12,869
Total :		40,46,62,129	37,28,83,985
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As per our Report of even date.

For **SESHACHALAM & CO.,**
Chartered Accountants
Firm Registration Number : 003714S

For and on behalf of the Board

T. Bharadwaj
Partner
Membership No. 201042

LAXMINIWAS SHARMA
Chairman

HARINARAYAN RATHI
Managing Director

CHETAN RATHI **SABITHA REDDY** **M.V. RAO**
Place : Hyderabad Whole-Time Director-cum-CFO Company Secretary Compliance Officer
Date : 15.05.2017


B.N. RATHI SECURITIES LIMITED

L65993TG1985PLC005838

(All amounts in Indian Rupees, unless otherwise stated)

Statement of Profit & Loss for the year ended 31st March, 2017

Particulars	Note No.	For the year ended 31.03.2017	For the year ended 31.03.2016
Revenue from operations (net)	21	19,37,82,374	14,44,98,309
Other Income	22	1,89,44,606	1,87,94,784
I. Total Revenue		21,27,26,980	16,32,93,093
Expenses:			
Employee Benefit Expenses	23	3,49,70,212	3,07,05,981
Finance Costs	24	29,11,482	64,24,103
Depreciation and Amortization Expenses	11	30,58,273	40,97,739
Other Expenses	25	4,01,87,364	3,35,69,096
Sharing of Brokerage		10,19,24,444	7,21,39,751
II. Total Expenses:		18,30,51,775	14,69,36,670
III. Profit before extraordinary item and tax (I-II)		2,96,75,205	1,63,56,423
Extraordinary item		-	30,15,000
Profit before tax (I - II)		2,96,75,205	1,93,71,423
IV. Tax Expense :			
Current tax expense			
- for current year		1,00,66,023	67,67,566
- relating to profit year		1,51,259	6,31,233
Deferred tax		3,09,016	(7,46,167)
V. Profit for the year		1,91,48,907	1,27,18,791
VI. Earning per equity share	31		
Basic and Diluted (Before extraordinary Items)		3.80	3.24
Basic & Diluted (After extraordinary Items)		3.80	4.24
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As per our Report of even date.

For **SESHACHALAM & CO.,**
Chartered Accountants
Firm Registration Number : 003714S

For and on behalf of the Board

T. Bharadwaj
Partner
Membership No. 201042

LAXMINIWAS SHARMA
Chairman

HARINARAYAN RATHI
Managing Director

Place : Hyderabad
Date : 15.05.2017

CHETAN RATHI
Whole-Time Director-cum-CFO

SABITHA REDDY
Company Secretary

M.V. RAO
Compliance Officer


B.N. RATHI SECURITIES LIMITED

L65993TG1985PLC005838

(All amounts in Indian Rupees, unless otherwise stated)

Cash Flow Statement for the year ended 31st March, 2017

Particulars	Note No.	Year ended March 31, 2017	Year ended March 31, 2016
A. Cash flow from operating activities			
Net Profit before extraordinary items and tax		2,96,75,205	1,63,56,423
Adjustment to reconcile profit before tax to net cash flows:			
Depreciation and amortisation		30,58,273	40,97,739
Interest expense		24,39,097	56,84,337
Profit on sale of fixed assets		(22,794)	(98,421)
Dividend income		(87,600)	(69,100)
Interest income		(1,83,42,207)	(1,85,97,356)
Cash generated before working capital changes		1,67,19,974	73,73,622
Movements in working capital :			
Increase in trade payables		1,73,24,822	5,03,86,619
Increase in other current liabilities		11,82,203	26,76,056
(Decrease)/Increase in long term provisions		(31,253)	5,14,398
Increase in short term provisions		4,346	15,557
Decrease trade inventories		8,52,262	7,65,317
Increase in trade receivables		(4,34,63,670)	(2,71,01,613)
Increase in loans and advances		(2,95,62,911)	(2,59,43,308)
Cash flow from extraordinary items		(3,69,74,227)	86,86,648
		-	30,15,000
Cash generated from operations		(3,69,74,227)	1,17,01,648
Direct taxes paid (net)		(75,90,366)	(79,66,744)
Net cash flow (used in) / generated from operating activities (A)		(4,45,64,593)	37,34,904
B. Cash flows from investing activities			
Purchase of Property, plant and equipment including intangible assets		(13,32,432)	(70,54,204)
Proceeds from sale of fixed assets		30,500	1,51,000
Dividend received		87,600	69,100
Interest received		1,86,52,633	1,75,57,346
Net cash flow from investing activities (B)		1,74,38,301	1,07,23,242
C. Cash flows from financing activities			
(Repayment of) / Proceeds from long term borrowings		(11,37,044)	24,52,753
Proceeds from / (Repayment) of working capital borrowings		10,778	(1,00,00,000)
(Investment) / redemption of bank deposits		(2,93,25,000)	4,02,00,000
Proceeds from issue of equity shares(net)		-	3,55,76,151
Dividends paid on equity shares		(40,32,000)	(37,80,000)
Tax on equity dividend paid		(8,20,820)	(7,69,532)
Interest paid		(24,39,097)	(56,84,337)
Net Cash Flow (used in)/generated from Financing activities (C)		(3,77,43,183)	5,79,95,035
Net increase in cash and cash equivalents (A+B+C)		(6,48,69,475)	7,24,53,181
E. Cash and cash equivalents [Refer Note 2(I) and 18]			
at the beginning of the year	18	8,55,18,546	1,30,65,365
at the end of the year		2,06,49,071	8,55,18,546
Corporate information	1		
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As per our Report of even date.

For **SESHACHALAM & CO.**,
Chartered Accountants
Firm Registration Number : 003714S

For and on behalf of the Board

T. Bharadwaj
Partner
Membership No. 201042

LAXMINIWAS SHARMA
Chairman

HARINARAYAN RATHI
Managing Director

CHETAN RATHI **SABITHA REDDY** **M.V. RAO**
Place : Hyderabad Whole-Time Director-cum-CFO Company Secretary Compliance Officer
Date : 15.05.2017


B.N. RATHI SECURITIES LIMITED

L65993TG1985PLC005838

(All amounts in Indian Rupees, unless otherwise stated)

Notes Forming Part of the Financial Statements
Note 3 : Share Capital

Particulars	As at 31 st March' 2017		As at 31 st March' 2016	
	No. of shares	Amount Rs.	No. of shares	Amount Rs.
Authorised: Equity shares of Rs.10 each	60,00,000	6,00,00,000	60,00,000	6,00,00,000
Issued, subscribed and fully paid: Equity shares of Rs.10 each	50,40,000	5,04,00,000	50,40,000	5,04,00,000
Total	50,40,000	5,04,00,000	50,40,000	5,04,00,000

(a) Reconciliation of Number of shares and amount outstanding at the beginning and at the end of the year :

Particulars	Opening Balance	Issued during the year	Bought back during the year	Closing Balance
Equity shares				
Year ended March 31, 2017				
- Number of shares	50,40,000	-	-	50,40,000
- Amount	5,04,00,000	-	-	5,04,00,000
Year ended March 31, 2016				
- Number of shares	25,20,000	2,52,00,000	-	50,40,000
- Amount	25,20,00,000	25,20,00,000	-	5,04,00,000

(b) Rights, preferences and restrictions attached to equity shares: The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

(c) Dividend : The Board of Director, in its meeting held on May 15, 2017 have proposed a final dividend of Rs.1/- per equity share for the financial year ended March 31, 2017. The proposal is subject to the approval of shareholders at the Annual General Meeting and if approved would result in a cash outflow of approximately Rs. 60,66,025/- including corporate dividend tax. The Proposed dividend not being an adjusting event, hence no provision is made.

(d) Details of shares held by each shareholder holding more than 5% shares*

Particulars	As at 31 st March' 2017		As at 31 st March' 2016	
	No. of shares held	Percentage of holding	No. of shares held	Percentage of holding
Equity shares of Rs.10/- each fully paid				
Hari Narayan Rathi	15,71,490	31.18%	15,71,490	31.18%
Chetan Rathi	3,48,534	6.92%	3,48,534	6.92%
Chanda Devi Rathi	2,62,406	5.21%	2,62,406	5.21%

*As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.


B.N. RATHI SECURITIES LIMITED

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(All amounts in Indian Rupees, unless otherwise stated)

Notes Forming Part of the Financial Statements
Note 4 : Reserve & Surplus

Particulars	As at March 31, 2017	As at March 31, 2016
a. Capital Reserve (A)	14,90,400	14,90,400
b. Securities Premium Account		
Opening Balance	2,26,16,151	1,22,40,000
Add : Premium on shares issued during the year	-	1,26,00,000
Less : Share Issue Expenses	-	22,23,849
(B)	2,26,16,151	2,26,16,151
c. General Reserve		
Opening Balance	9,66,955	6,48,085
Add: Transferred from surplus in Statement of Profit and Loss	-	3,17,970
(C)	9,66,955	9,66,955
d. Surplus in Statement of Profit and Loss		
Opening balance	6,45,07,649	5,69,59,648
Add: Profit for the year	1,91,48,907	1,27,18,791
	8,36,56,556	6,96,78,439
Less : Appropriations		
- Transferred to general reserve	-	3,17,970
- Proposed dividend [Refer Note 3 (c)]	-	40,32,000
- Tax on proposed dividend	-	8,20,820
- Difference in dividend tax paid due to rounding off	50	-
(D)	50	51,70,790
	8,36,56,506	6,45,07,649
Total [A+B+C+D]	10,87,30,012	8,95,81,155

Note 5 : Long Term Borrowings

Particulars	As at March 31, 2017	As at March 31, 2016
a. Term Loans		
From Banks		
Secured (Refer note (i) below)	3,30,681	15,78,910
Total	3,30,681	15,78,910

Note (i):

The term loan taken from HDFC Bank Limited is secured by way of hypothecation of vehicle purchased. The Loan is repayable in 36 equal monthly instalments. The applicable interest rate is 9.37%. The period of maturity with respect to balance sheet date is 16 instalments.

Note 6 : Long Term Provisions

Particulars	As at March 31, 2017	As at March 31, 2016
Provision for gratuity (Refer note 27)	22,94,111	23,25,364
Total :	22,94,111	23,25,364

**B.N. RATHI SECURITIES LIMITED**

L65993TG1985PLC005838

(All amounts in Indian Rupees, unless otherwise stated)

Notes Forming Part of the Financial Statements**Note 7 : Short Term Borrowings**

Particulars	As at March 31, 2017	As at March 31, 2016
From Banks		
Secured		
Bank overdraft against fixed deposits	10,778	-
Total :	10,778	-

Note 8 : Trade Payables

Particulars	As at March 31, 2017	As at March 31, 2016
Creditors - clients	21,42,18,618	20,44,19,393
Creditors - Suppliers and other services [Refer note 32 and 33]	1,70,30,811	95,05,214
Total	23,12,49,429	21,39,24,607

Note 9 : Other Current Liabilities

Particulars	As at March 31, 2017	As at March 31, 2016
Current maturities of long term debt [Refer note 5]	12,48,214	11,37,029
Unpaid dividend	15,39,949	15,21,362
Statutory remittances	21,47,094	11,35,636
Client margin deposits	41,98,698	36,77,485
Other Deposits - Sub brokers	22,90,865	26,41,334
Total	1,14,24,820	1,01,12,846

Note 10 : Short Term Provisions

Particulars	As at March 31, 2017	As at March 31, 2016
Provision for gratuity [Refer note 27]	1,12,629	1,08,283
Provision for taxation (Net of Advance Tax and Tax Deducted)	1,09,669	-
Proposed dividend	-	40,32,000
Provision for tax on proposed dividend	-	8,20,820
Total	2,22,298	49,61,103



B.N. RATHI SECURITIES LIMITED

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(All amounts in Indian Rupees, unless otherwise stated)

Notes Forming Part of the Financial Statements

Note : 11 Plant, Property and Equipment

Note 11A : Tangible Assets

Particulars	Gross Block			Depreciation				Net Block	
	As at April 01, 2016	Additions	Deletions	As at March 31, 2017	As at April 01, 2016	For the Period	On Deletions	As at March 31, 2017	As at March 31, 2016
Furniture and fittings	5,99,624	2,74,057	1,34,026	7,39,655	5,10,263	92,299	1,34,026	2,71,119	89,361
Motor Vehicles	74,31,452	-	5,10,720	69,20,732	37,24,400	18,22,100	5,10,720	18,84,952	37,07,052
Computers & data processing units	23,29,879	4,50,064	10,71,807	17,08,136	19,49,129	4,96,059	10,71,807	3,34,755	3,80,750
Office equipment	40,85,117	2,21,600	24,48,537	18,58,180	35,13,919	4,36,764	24,40,831	3,48,328	5,71,198
Total	1,44,46,072	9,45,721	41,65,090	1,12,26,703	96,97,711	28,47,222	41,57,384	28,39,154	47,48,361
Previous Year	85,49,725	66,60,652	7,64,305	1,44,46,072	66,77,660	37,31,777	7,11,726	47,48,361	18,72,065

Note 11B : Intangible Assets

Particulars	Gross Block			Amortisation				Net Block	
	As at April 01, 2016	Additions	Deletions	As at March 31, 2017	As at April 01, 2016	For the Period	On Deletions	As at March 31, 2017	As at March 31, 2016
Computer software	6,80,411	3,86,711	2,41,359	8,25,763	6,06,948	2,11,051	2,41,359	2,49,123	73,463
Total	6,80,411	3,86,711	2,41,359	8,25,763	6,06,948	2,11,051	2,41,359	2,49,123	73,463
Previous Year	2,86,859	3,93,552	-	6,80,411	2,40,986	3,65,962	-	73,463	45,873
Current Year	1,51,26,483	13,32,432	44,06,449	1,20,52,466	1,03,04,659	30,58,273	43,98,743	30,88,277	48,21,824
Previous Year	88,36,584	70,54,204	7,64,305	1,51,26,483	69,18,646	40,97,739	7,11,726	48,21,824	19,17,938

**B.N. RATHI SECURITIES LIMITED**

L65993TG1985PLC005838

(All amounts in Indian Rupees, unless otherwise stated)

Notes Forming Part of the Financial Statements**Note 12 : Non current investment [Refer note 29(c)]**

Particulars	As at March 31, 2017	As at March 31, 2016
Trade investments - unquoted - valued at cost -		
Long term Investments in equity shares of subsidiaries:		
B.N.Rathi Comtrades Private Limited [10,00,000 (31.03.2016 : 10,00,000) equity shares of par value Rs. 10 each]	1,00,00,000	1,00,00,000
B.N.Rathi Industries Private Limited [5,00,000 (31.03.2016 : 5,00,000) equity shares of par value Rs. 10 each]	50,00,000	50,00,000
Total	1,50,00,000	1,50,00,000

Note 13 : Deferred Tax Asset Components of Deferred Tax Assets

Particulars	As at March 31, 2017	As at March 31, 2016
Deferred tax asset		
Depreciation	19,31,326	20,98,822
Employee benefits	6,63,117	8,04,637
Total	25,94,443	29,03,459

Note 14 : Long Term Loans and Advance (Unsecured, Considered good)

Particulars	As at March 31, 2017	As at March 31, 2016
Capital advance [Refer note 34]	14,74,864	14,74,864
Tax deducted at source (Net of Provision for Tax)	-	5,76,400
Security deposits:		
- With exchanges	1,33,00,000	2,29,78,000
Total	1,47,74,864	2,50,29,264

Note 15 : Other non-current assets (Unsecured, Considered good)

Particulars	As at March 31, 2017	As at March 31, 2016
Fixed deposits with banks* (Refer note 18) (Maturity period more than 12 months)	18,00,000	-
Total	18,00,000	-


B.N. RATHI SECURITIES LIMITED

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(All amounts in Indian Rupees, unless otherwise stated)

Notes Forming Part of the Financial Statements
Note 16 : Stock in Trade

Particulars	Face Value	Quantity	As at March 31, 2017	Quantity	As at March 31, 2016
Listed :					
Vantel Technologies Limited	1	20,345	29,907	20,345	29,907
Hinduja Ventures	10	-	-	2,000	9,49,082
BSE Limited	10	200	1,00,000	-	-
Canara Bank	10	75	15,525	-	-
IP Rings Limited	10	16	1,420	-	-
Less : Provision for diminution in the value of investments	-	-	29,907	-	1,09,782
Total (A)			1,16,945		8,69,207
Market Value of Shares			2,20,275		8,39,300
Un-Listed :					
Mahesh Vidya Bhavan Limited	10	20,000	2,00,000	20,000	2,00,000
Bombay Stock Exchange Limited	10	-	-	400	1,00,000
Sevenhills Co-op. Bank Limited	10	5,000	5,00,000	5,000	5,00,000
Total (B)			7,00,000		8,00,000
Total (A) + (B)			8,16,945		16,69,207

Note 17 : Trade Receivables (Refer note 32)

Particulars	As at March 31, 2017	As at March 31, 2016
Unsecured, considered good		
Outstanding for a period exceeding six months	1,159	127
Others	8,79,33,369	4,44,70,731
Total	8,79,34,528	4,44,70,858

Note 18 : Cash and Bank Balances

Particulars	As at March 31, 2017	As at March 31, 2016
Cash and cash equivalents:		
Cash in hand	8,744	20,936
Balance with banks		
- In current accounts	2,06,40,327	8,54,97,610
	2,06,49,071	8,55,18,546
Other Bank Balances		
- In earmarked accounts		
Unpaid dividend accounts	15,49,949	15,31,362
- Balances with bank in fixed deposits account		
[Refer note below]	2,25,00,000	1,10,00,000
[Upto 3 months maturity from the date of acquisition]		
- Balances with bank in fixed deposits account		
[Refer note below]	8,44,55,009	6,66,30,009
[Upto 12 months maturity from the date of acquisition and maturity more than 12 months but with in one year from the balance sheet date]		
	10,85,04,958	7,91,61,371
Total	12,91,54,029	16,46,79,917

**B.N. RATHI SECURITIES LIMITED**

L65993TG1985PLC005838

(All amounts in Indian Rupees, unless otherwise stated)

Notes Forming Part of the Financial Statements**Note :**

Fixed deposits are given as security towards:

1. Bank Gaurentees (Refer Note 26)	3,87,50,000	3,00,00,000
2. Overdraft facility	5,12,96,172	3,18,30,009
3. Bombay stock exchange india limited	33,75,000	10,00,000
4. NSCCL/ILFS F&O	40,00,000	40,00,000
5. NSECD	8,00,000	8,00,000
6. Others - FD	1,05,33,837	1,00,00,000
	10,87,55,009	7,76,30,009

Note 19: Short term loans and advances (Unsecured considered good)

Particulars	As at March 31, 2017	As at March 31, 2016
Loans and advances to employees	2,90,000	1,38,000
Margin with exchanges	13,73,00,000	10,15,00,000
Security deposits [Refer note 29(c)]	21,19,017	21,78,014
Other recievables	26,21,913	35,61,043
Prepaid expenses	12,58,313	7,23,291
Balance with government authorities	3,07,357	2,96,239
Total	14,38,96,600	10,83,96,587

Note 20 : Other Current Assets

Particulars	As at March 31, 2017	As at March 31, 2016
Interest accrued on deposits with banks and others	56,02,443	59,12,869
Total	56,02,443	59,12,869

Note 21 : Revenue from Operations (net)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Income from broking operations	15,67,17,168	11,88,58,161
Other Operating Revenue	3,70,65,206	2,56,40,148
Total	19,37,82,374	14,44,98,309


B.N. RATHI SECURITIES LIMITED

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(All amounts in Indian Rupees, unless otherwise stated)

Notes Forming Part of the Financial Statements
Note 22 : Other Income

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest income on Deposits with Banks and Others	1,83,42,207	1,85,97,356
Dividend income	87,600	69,100
Profit on sale of Property, Plant and Equipment	22,794	98,421
Profit on sale of securities	1,83,156	-
Profit on sale of investments in Mutual Funds	3,08,849	-
Miscellaneous income	-	29,907
Total	1,89,44,606	1,87,94,784

Note 23 : Employee Benefit Expenses

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Salaries [Refer note 29(b)]	3,33,03,398	2,93,50,379
Contribution to provident and other funds	12,06,704	9,93,360
Staff welfare	4,60,110	3,62,242
Total	3,49,70,212	3,07,05,981

Note 24 : Finance Costs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest expense on:		
Working Capital	1,02,863	10,26,531
Term Loan	2,06,376	2,38,725
Others	21,29,858	44,19,081
Other borrowing costs	4,72,385	7,39,766
Total	29,11,482	64,24,103

Note 25 : Other Expenses

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Operating expenses:		
Transaction charges	2,21,21,519	1,68,09,310
Other operating expenses	67,32,378	57,12,375
Others:		
Power and fuel	8,10,526	9,41,219
Rent [Refer note 30]	21,56,829	20,74,025
Repairs and maintenance	6,98,157	5,85,507
Insurance	1,56,375	47,338
Rates and taxes	15,21,150	16,93,072

**B.N. RATHI SECURITIES LIMITED**

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Notes Forming Part of the Financial Statements

Communication	8,19,967	8,90,991
Travelling and conveyance	1,63,251	2,53,955
Printing and stationary	10,11,054	9,36,272
Provision for diminution in the value of investments	29,907	1,09,782
Business promotion	3,16,026	1,40,672
Donations	2,15,000	1,00,000
Legal and professional	5,95,682	4,52,620
Auditor's remuneration:		
- Statutory audit	75,000	75,000
- Tax audit	15,000	15,000
- Certification	1,60,000	1,60,000
Loss on sale of securities	-	1,67,452
General and other administration expenses	25,89,543	24,04,506
Total	4,01,87,364	3,35,69,096

26. Contingent liabilities :

i) Bank Guarantees :

Particulars	2016-17	2015-16
Bank Guarantees	7,75,00,000	7,00,00,000

27. Gratuity :

The Company has a defined benefit gratuity plan. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet:

Statement of profit and loss**Net employee benefit expenses recognized in the employee cost**

	March 31, 2017	March 31, 2016
Current Service Cost	1,60,529	1,32,027
Interest cost on benefit obligation	1,74,320	1,52,295
Past Service cost - vested benefits	-	-
Expected return on plan assets	(1,14,627)	(1,18,051)
Net actuarial loss/(gain) recognized in the year	98,435	(9,020)
Net benefit expense	3,18,657	1,57,251

Balance sheet**Benefit liability**

	March 31, 2017	March 31, 2016
Present value of defined benefit obligation	(22,62,278)	(21,78,994)
Fair value of plan assets	13,38,149	15,73,522
Plan liability	9,24,129	6,05,472

**Notes Forming Part of the Financial Statements****Changes in the present value of the defined benefit obligation are as follows:**

	March 31, 2017	March 31, 2016
Opening defined benefit obligation	21,78,994	19,03,692
Current service cost	1,60,529	1,32,027
Interest cost	1,74,320	1,52,295
Past Service cost – vested benefits	-	-
Benefits paid	(3,50,000)	-
Actuarial gain / (losses) on obligation	(98,435)	9,020
Closing defined benefit obligation	22,62,278	21,78,994

Changes in the fair value of plan assets are as follows:

	March 31, 2017	March 31, 2016
Opening fair value of plan assets	15,73,522	13,43,298
Expected return	1,14,627	1,18,051
Contributions by employer	-	1,12,173
Benefits paid	(3,50,000)	-
Actuarial (losses)/gains	-	-
Closing fair value of plan assets	13,38,149	15,73,522

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

	March 31, 2017	March 31, 2016
Discount rate (%)	8%	8%
Expected rate of return on assets (%)	8%	8%
Salary escalation (%)	4%	4%
Attrition rate (%)	5%	5%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

27. Segment reporting

The Company's operations predominantly consist only of Broking activities. Hence, there are no reportable segments under Accounting Standard - 17 "Segment Reporting" (AS-17).

During the year, the company's business has been carried out in India. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary. There are no other reportable segments.

**B.N. RATHI SECURITIES LIMITED**

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(All amounts in Indian Rupees, unless otherwise stated)

Notes Forming Part of the Financial Statements**29. Related party disclosures as per AS 18:****a) Names of the related parties and nature of relationship:**

Nature of Relationship	Name of Related Party
Subsidiaries:	B.N. Rathi Comtrade Private Limited B.N. Rathi Industries Private Limited
Key Management Personnel (KMP):	Hari Narayan Rathi - Managing Director Chetan Rathi - Whole-Time Director
Relatives of Key Management Personnel (KMP):	Chanda Devi Rathi - Wife of Hari Narayan Rathi Nisha Rathi - Wife of Chetan Rathi Anuradha Pasari - Daughter of Hari Narayan Rathi Govind Narayan Rathi - Brother of Hari Narayan Rathi

b) Transactions with related parties:

Particulars	2016-17	2015-16
Rent paid :	9,60,000	9,72,000
- Chanda Devi Rathi	7,20,000	7,32,000
- Govind Narayan Rathi HUF	2,40,000	2,40,000
Remuneration paid :	49,19,275	26,40,000
- Hari Narayan Rathi (including Gratuity of Rs. 3,50,000)	31,49,275	16,80,000
- Chetan Rathi	17,70,000	9,60,000
Dividend paid :	18,47,163	17,31,716
- Hari Narayan Rathi	12,57,192	11,78,618
- Chetan Rathi	2,78,827	2,61,401
- Chanda Devi Rathi	2,09,925	1,96,805
- Nisha Rathi	1,01,219	94,893
Service rendered - Brokerage received :	89,821	1,90,227
- Hari Narayan Rathi	1,256	1,04,369
- Chetan Rathi	164	5,766
- Chanda Devi Rathi	301	7,594
- Nisha Rathi	46,774	12,005
- Govind Narayan Rathi	41,184	46,315
- Anuradha Pasari	142	202
- Hari Narayan Rathi HUF	-	13,976
Advance given :	-	2,00,000
- B.N. Rathi Industries Private Limited	-	2,00,000
Advance recovered :	-	2,00,000
- B.N. Rathi Industries Private Limited	-	2,00,000
Sharing of expenses	1,26,42,408	91,21,466
- B.N. Rathi Comtrade Private Limited	1,26,42,408	91,21,466
Sharing of expenses recovered	1,26,42,408	93,35,508
- B.N. Rathi Comtrade Private Limited	1,26,42,408	93,35,508
Shares Alloted :	-	11,84,477
- Hari Narayan Rathi	-	7,85,745
- Chanda Devi Rathi	-	1,74,267
- Chetan Rathi	-	1,31,203
- Nisha Rathi	-	63,262
- Anuradha Pasari	-	20,000
- Laxmi Narayan Rathi	-	10,000

**B.N. RATHI SECURITIES LIMITED**

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(All amounts in Indian Rupees, unless otherwise stated)

Notes Forming Part of the Financial Statements**b) Related party balances:**

Particulars	As at March 31, 2017	As at March 31, 2016
Non-current investments:	1,50,00,000	1,50,00,000
- B.N. Rathi Industries Private Limited	50,00,000	50,00,000
- B.N.Rathi Comtrade Private Limited	1,00,00,000	1,00,00,000
Rent Deposit:	11,00,000	11,00,000
- Chanda Devi Rathi	10,00,000	10,00,000
- Govind Narayan Rathi HUF	1,00,000	1,00,000

30. Lease obligation as Lessee (Lease Payments):

Lease payments made under cancellable operating leases have been recognized as an expense in the Statement of Profit and Loss.

31. Earnings per Share (EPS):

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit after tax	1,91,48,907	1,27,18,791
Basic and diluted		
Basic & Diluted (before extraordinary items)	3.80	3.24
Basic & Diluted (After extraordinary items)	3.80	4.24
Weighted average number of shares outstanding	50,40,000	29,99,540
Face value per share (Rs.)	10	10

32. There is no balance confirmation available for the receivables and payables outstanding as on March 31, 2017 and such balances are subject to confirmation and reconciliation.**33. Due to Micro and Small enterprise:**

The principal amount remaining unpaid as at March 31, 2017 in respect of enterprises covered under "Micro, Small and Medium Enterprises Development Act, 2006" (MSMEDA) is Rs. Nil.

In respect of transactions with "Suppliers" who constitute Micro, Small and Medium Enterprises under Micro, Small and Medium Enterprises Development Act, 2006 disclosures relating to interest paid/payable are not applicable.

34. During FY 2012-13, company entered into an agreement for sale of land with Mrs. Hari Gayathri, wife of Mr. Venkata Appa Rao Yeleswarapu, client of the company. Mr. Venkata Appa is liable to pay Rs.34,43,070 to the company as on January 31, 2013. In the process of recovery, the company entered into an agreement for sale of land on February 01, 2013 with his wife for a consideration of Rs.14,74,864. The consideration is to be treated as advance receivable by her from the company against the amount payable by her husband. The registration of land in the favour of company is pending. The company has decided to disclose the consideration under the head "Long term loans & advances" as 'Property pending for registration & possession.' The company has filed a suit for specific performance for the same. The status of the case is 'pending' and recovery of the same is doubtful.

**B.N. RATHI SECURITIES LIMITED**

L65993TG1985PLC005838

(All amounts in Indian Rupees, unless otherwise stated)

Notes Forming Part of the Financial Statements**35. Disclosure of Specified Bank Notes (SBNs):**

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 08, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs [^]	Other denomination notes	Total
Closing cash in hand as on November 08, 2016	22,000	6,978	28,978
Add: Permitted receipts*	-	1,60,000	1,60,000
Less: Permitted payments**	-	1,44,430	1,66,430
Less: Amounts deposited in Banks	22,000	-	-
Closing cash in hand as on December 30, 2016	-	22,548	22,548

[^] The term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

*Receipts include amounts withdrawn from bank

** Includes amounts paid for day to day expenses and cash deposited

36. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our Report of even date.

For **SESHACHALAM & CO.**,
Chartered Accountants
Firm Registration Number : 003714S

For and on behalf of the Board

T. Bharadwaj
Partner
Membership No. 201042

LAXMINIWAS SHARMA
Chairman

HARINARAYAN RATHI
Managing Director

CHETAN RATHI
Whole-Time Director-cum-CFO

SABITHA REDDY
Company Secretary

M.V. RAO
Compliance Officer

Place : Hyderabad
Date : 15.05.2017

**B.N. RATHI SECURITIES LIMITED**

L65993TG1985PLC005838

Form AOC - 1

Statement containing salient features of the financial statements of Subsidiaries
(Pursuant to proviso to sub-section (3) of section 129 read with Rule 5 of the Companies
(Accounts) Rules, 2014)

1. Name of the Subsidiaries : **B. N. Rathi Comtrade Private Limited
B.N. Rathi Industries Private Limited**
2. Reporting Period : 01.04.2016 to 31.03.2017
3. Reporting Currency : Indian Rupee

S.No.	Particulars	B. N. Rathi Comtrade Private Limited Amount in Rupees	B.N. Rathi Industries Private Limited Amount In Rupees
1.	Share Capital:	1,00,00,000	50,00,000
2.	Reserves & surplus for the year ending	2,30,77,353	4,11,546
3.	Total Assets	14,14,08,849	54,69,693
4.	Total Liabilities	14,14,08,849	54,69,693
5.	Investments	50,00,00	30,00,000
6.	Turnover (Income)	7,40,47,284	3,06,526
7.	Profit / loss before Taxation	85,26,956	2,54,512
8.	Provision for Taxation	27,69,164	78,644
9.	Profit / loss after Taxation	57,57,792	1,75,868
10.	Proposed Dividend	-	-
11.	% of Shareholding	100	100

1. Names of Subsidiaries which are yet to commence operation : **NA**
2. Names of subsidiaries which have been liquidated or sold during the year : **NA**

As per our Report of even date.

For **SESHACHALAM & CO.,**
Chartered Accountants
Firm Registration Number : 003714S

For and on behalf of the Board

T. Bharadwaj
Partner
Membership No. 201042

LAXMINIWAS SHARMA
Chairman

HARINARAYAN RATHI
Managing Director

CHETAN RATHI
Whole-Time Director-cum-CFO

SABITHA REDDY
Company Secretary

M.V. RAO
Compliance Officer

Place : Hyderabad
Date : 15.05.2017



INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

TO THE MEMBERS OF B. N. RATHI SECURITIES LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of B.N.Rathi Securities Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2017, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, as applicable.
 - e) On the basis of the written representations received from the directors of the Holding Company and subsidiary companies as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and subsidiary companies, none of the directors of the Group companies is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Holding company and subsidiary companies. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding company's and subsidiary company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) the Group does not have any pending litigations which would impact its financial position.
 - ii) the Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) there has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Group.

For Seshachalam & Co.,

Chartered Accountants

Firm Registration Number. 003714S

T. Bharadwaj

Partner

Membership No. 201042

Place : Hyderabad

Date : 15.05.2017



ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated financial statements of the Group as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of B.N.Rathi Securities Limited (hereinafter referred to as “the Holding Company”) and its subsidiary companies as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company and its subsidiary companies are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;



- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary companies have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the respective companies, as adopted by each company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Seshachalam & Co.,
Chartered Accountants
Firm Registration Number. 003714S

T. Bharadwaj
Partner
Membership No. 201042

Place : Hyderabad
Date : 15.05.2017

**Group information and Summary of significant accounting policies****1. Group information:**

The consolidated financial statements of B.N. Rathi Securities Limited ("the Company") together with its subsidiaries (collectively referred as the 'Group' or the 'consolidating entities') are prepared with generally accepted accounting principles in India under the historical cost convention and on an accrual basis of accounting and in accordance.

These financial statements are prepared in accordance with Indian Accounting Standards (AS) under the historical cost convention on the accrual basis, the provisions of the Companies Act, 2013 ('Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI) and pronouncements of The Institute of Chartered Accountants of India ('ICAI').

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

Basis of consolidation

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible in the same manner as the Company's separate financial statements, except otherwise stated for like transactions in similar circumstances.

Investments in subsidiaries, except where the investments are acquired exclusively with a view to its subsequent disposal in the near future, are accounted in accordance with accounting principles as defined in the Accounting Standard ('AS') 21 'Consolidated Financial Statements', as prescribed under the Rules.

The financial statements of the consolidating entities are added on a line-by-line basis and material inter-company balances and transactions including unrealized gain and loss from such transactions are eliminated upon consolidation. The following subsidiaries have been considered for the purpose preparation of consolidated financial statements:

Names of the consolidating entities	Country of Incorporation	Percentage holding /interest (%)	
		As at 31 March 2017	2016
B.N. Rathi Comtrade Private Limited	India	100.00	100.00
B.N. Rathi Industries Private Limited	India	100.00	100.00

2. Significant Accounting Policies:**Use of estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.



a) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

Revenue on sale of property is recognized based on percentage completion method and upon transferring significant risks and rewards of ownership associated with the real estate property.

Income from Brokerage

Brokerage income on securities and commodities broking business is recognised as per contracted rates at the execution of transactions on behalf of the customers on the trade date

Other operating revenue

Other operating revenue includes income from business related to brokerage and is recognized based on the terms agreed with the customers when the services are rendered.

Interest income:

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other income" in the statement of profit and loss.

Dividends

Dividend income is recognized when the unit holder's right to receive dividend is established by the reporting date.

b) Plant, Property & Equipment

Tangible Assets:

Tangible assets are stated at cost less accumulated depreciation. Subsequent expenditure related to items of tangible assets is added to its book value only if it increase the future benefits from the existing assets beyond its previously assessed standard of performance. Losses arising from the retirement of, and gains or losses arising from disposal of tangible assets which are carried at cost are recognised in the Statement of Profit and Loss.

Intangible Assets:

Intangible Assets are recognized only if it is probable that the future economic benefits that are attributable to assets will flow to the enterprise and the cost of the assets can be measured reliably. Intangible assets are recorded at cost and carried at cost less accumulated depreciation. Intangible assets are amortised over their estimated useful lives.

c) Depreciation and Amortization

Depreciation and Amortization on Plant, Property & Equipment is provided on Written down value method at the rates specified in Schedule II of the Companies Act, 2013 on pro-rata basis.

Individual Plant, Property & Equipment costing Rs.5,000 and below are fully depreciated in the year of purchase.

d) Employee Benefits

Provident Fund:

Contributions paid/ payable under defined contribution plans are recognized in the Statement of Profit and Loss in each year. Contribution plans primarily consists of Provident Fund administered and managed by the Government of India. The Group makes monthly contributions and has no further obligations under the plan beyond its contributions.



Gratuity Fund:

The Group operates a defined benefit plan for its employees, viz., gratuity. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out for the plan using the projected unit credit method. Actuarial gains and losses for the defined benefit plan are recognized in full in the period in which it occurs in the statement of profit and loss.

e) Investments

Investments are classified into current and long term investments. Current investments are stated at the lower of cost and fair value. Long-term investments are stated at cost. A provision for diminution is made to recognise a decline, other than temporary, separately for each individual long term investments. Investments that are readily realisable and are intended to be held for not more than one year from the date on which such investments are made, are classified as "Current investments". All other investments are classified as "Long-term investments".

f) Leases

Assets acquired under Leases where a significant portion of the risks and rewards of the ownership are retained by the lessor are classified as Operating Leases. The rentals and all the other expenses of assets under operating lease for the period are treated as revenue expenditure.

g) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

h) Taxation:

- (i) Current tax is determined based on the amount of tax payable in respect of taxable income for the year.
- (ii) Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax asset, on timing differences, being the differences between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent years. Deferred Tax Assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.
- (iii) Provision for taxation for the period(s) is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income Tax Act, 1961.
- (iv) Deferred Tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Group re-assesses unrecognised deferred tax assets, if any.
- (v) Current tax assets and liabilities are offset when there is a legally enforceable rights to set off the recognised amount and there is intention to settle the assets and the liabilities on a net basis.
- (vi) Deferred tax assets and liabilities are offset when there is a legally enforceable rights to set off assets against liabilities representing the current tax and where the deferred tax and liabilities relate to taxes on income levied by the same governing taxation laws.

**i) Provisions**

A provision is recognized when the Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

j) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

k) Impairment

Assets are reviewed for impairment at each balance sheet date. In case, events and circumstances indicate any impairment, the recoverable amount of these assets is determined. An asset is impaired when the carrying amount of the asset exceeds its recoverable amount. An impairment loss is charged to the Statement of Profit and Loss in the period in which an asset is defined as impaired. An impairment loss recognized in prior accounting periods is adjusted/ reversed if there has been a change in the estimate of the recoverable amount and such loss either no longer exists or has decreased.

l) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.


B.N. RATHI SECURITIES LIMITED

L65993TG1985PLC005838

(All amounts in Indian Rupees, unless otherwise stated)

Consolidated Balance Sheet as at 31st March, 2017

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016
I. Equity and liabilities			
(1) Shareholder's Funds			
(a) Share capital	3	5,04,00,000	5,04,00,000
(b) Reserves and surplus	4	13,22,06,405	10,71,23,887
(2) Non-current liabilities			
(a) Long-Term Borrowings	5	3,30,681	15,78,910
(b) Long term provisions	6	22,94,111	23,25,364
(3) Current Liabilities			
(a) Short-term borrowings	7	10,778	-
(b) Trade payables	8	-	-
Total outstanding dues of micro and small enterprises			
Total outstanding dues of creditors other than micro and small enterprises		33,78,54,606	30,99,68,800
(c) Other current liabilities	9	1,27,42,034	1,16,81,844
(d) Short-term provisions	10	6,89,550	49,61,103
Total		53,65,28,165	48,80,39,908
II. Assets			
(1) Non-current assets			
(a) Plant, property and equipment	11		
(i) Tangible assets	11A	31,15,994	54,24,606
(ii) Intangible assets	11B	2,49,123	73,463
(b) Deferred Tax Assets	12	30,07,830	33,93,448
(c) Long term loans and advances	13	2,02,74,864	3,04,64,506
(d) Other non-current assets	14	43,00,000	3,75,00,000
(2) Current assets			
(a) Inventories	15	8,16,945	16,69,207
(b) Current Investments	16	80,00,000	-
(c) Trade Receivables	17	13,16,19,478	8,81,76,076
(d) Cash and Bank Balances	18	20,39,17,269	18,45,85,997
(e) Short term loans and advances	19	15,48,27,825	13,00,24,830
(f) Other current assets	20	63,98,837	67,27,775
Total		53,65,28,165	48,80,39,908
Corporate information	1		
Summary of significant accounting policies	2		
Accompanying notes forming an integral part of the financial statements	1 to 35		

As per our Report of even date.

For **SESHACHALAM & CO.,**
Chartered Accountants
Firm Registration Number : 003714S

For and on behalf of the Board

T. Bharadwaj
Partner
Membership No. 201042

LAXMINIWAS SHARMA
Chairman

HARINARAYAN RATHI
Managing Director

CHETAN RATHI
SABITHA REDDY
M.V. RAO

Place : Hyderabad
Date : 15.05.2017

Whole-Time Director-cum-CFO

Company Secretary

Compliance Officer


B.N. RATHI SECURITIES LIMITED

L65993TG1985PLC005838

(All amounts in Indian Rupees, unless otherwise stated)

Consolidated Statement of Profit & Loss for the year ended 31st March, 2017

Particulars	Note No.	For the year ended 31.03.2017	For the year ended 31.03.2016
I. Revenue from operations (Net)	21	26,28,93,887	20,81,06,968
II. Other Income	22	2,41,86,903	2,25,02,221
I. Total Revenue		28,70,80,790	23,06,09,189
Expenses:			
Change in inventories of finished goods	23	-	20,97,842
Construction expenses	24	-	17,160
Employee benefit expenses	25	4,71,66,544	4,02,03,862
Finance costs	26	32,88,201	67,87,745
Depreciation and amortisation expenses	11	34,35,154	46,86,430
Other expenses	27	6,09,12,464	5,39,70,266
Sharing of brokerage		13,38,21,754	9,60,81,185
II. Total Expenses		24,86,24,117	20,38,44,490
III. Profit before tax (I-II)		3,84,56,673	2,67,64,699
Extraordinary item		-	30,15,000
Profit before tax		3,84,56,673	2,97,79,699
IV. Tax expense:			
Current tax expense			
- for current year		1,28,37,228	1,04,40,713
- relating to prior year		1,51,259	6,31,233
Deferred tax		3,85,618	(8,58,266)
V. Profit for the year		2,50,82,568	1,95,66,019
VI. Earning per equity share:			
Basic & diluted (Before extraordinary items)		4.98	5.52
Basic & diluted (After extraordinary items)	32	4.98	6.52
Corporate information	1		
Summary of significant accounting policies	2		
Accompanying notes forming an integral part of the financial statements	1 to 35		

As per our Report of even date.

For **SESHACHALAM & CO.,**
Chartered Accountants
Firm Registration Number : 003714S

For and on behalf of the Board

T. Bharadwaj
Partner
Membership No. 201042

LAXMINIWAS SHARMA
Chairman

HARINARAYAN RATHI
Managing Director

Place : Hyderabad
Date : 15.05.2017

CHETAN RATHI
Whole-Time Director-cum-CFO

SABITHA REDDY
Company Secretary

M.V. RAO
Compliance Officer


B.N. RATHI SECURITIES LIMITED

L65993TG1985PLC005838

(All amounts in Indian Rupees, unless otherwise stated)

Consolidated Cash Flow Statement for the year ended 31st March, 2017

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
A. Cash flow from operating activities		
Profit before tax	3,84,56,673	2,97,79,699
Adjustment to reconcile profit before tax to net cash flows:		
Depreciation and amortisation	34,35,154	46,86,430
Interest expense	24,65,326	57,51,470
Profit on sale of plant, property & equipment	(22,794)	(98,421)
Loss on sale of plant, property & equipment	16,024	-
Dividend income	(87,600)	(69,100)
Interest income	(2,23,81,738)	(2,22,22,133)
Cash generated before working capital changes	2,08,81,045	1,78,27,945
Movements in working capital :		
Increase in trade payables	2,78,85,807	7,23,02,969
Increase in other current liabilities	9,30,417	32,75,587
(Decrease) / Increase in long term provisions	(31,253)	5,14,398
Increase in short term provisions	4,346	15,557
Decrease in trade inventories	8,52,262	28,63,159
Increase in trade receivables	(4,34,43,402)	(2,71,66,696)
Decrease / (Increase) in loans and advances	1,61,34,866	(7,33,99,034)
Cash generated from operations	2,32,14,088	(37,66,115)
Direct taxes paid (Net)	(99,59,835)	(1,07,80,991)
Net cash flow from / (used in) operating activities (A)	1,32,54,253	(1,45,47,106)
B. Cash flows from investing activities		
Purchase of plant, property and equipment, including intangible assets	(13,32,432)	(72,15,303)
Proceeds from sale of plant, property and equipment	37,000	1,51,000
Investment in current investments	(80,00,000)	-
Dividend received	87,600	69,100
Interest received	2,37,10,676	2,13,07,872
Net cash flow from investing activities (B)	1,45,02,844	1,43,12,669
C. Cash flows from financing activities		
(Repayment of) / Proceeds from long term borrowings	(11,37,044)	24,52,753
Proceeds from / Repayment of working capital borrowings	10,778	(1,04,28,451)
(Investment) / Redemption of bank deposits	(7,71,63,653)	5,60,94,509
Proceeds from issue of equity shares (Net)	-	3,55,76,151
Dividends paid on equity shares	(40,32,000)	(37,80,000)
Tax on equity dividend paid	(8,20,820)	(7,69,532)
Interest paid	(24,65,326)	(57,51,470)
Net Cash Flow From Financing activities (C)	(8,56,08,065)	7,33,93,960
D. Net increase in cash and cash equivalents (A+B+C)	5,78,50,968	7,31,59,523
E. Cash and cash equivalents [Refer Note 2(k) and 18]		
at the beginning of the year	8,80,13,279	1,48,53,756
at the end of the year	3,01,62,311	8,80,13,279
Corporate information	1	
Summary of significant accounting policies	2	
Accompanying notes forming an integral part of the financial statements	1 to 35	

As per our Report of even date.

For **SESHACHALAM & CO.**,
Chartered Accountants
Firm Registration Number : 003714S

For and on behalf of the Board

T. Bharadwaj
Partner
Membership No. 201042

LAXMINIWAS SHARMA
Chairman

HARINARAYAN RATHI
Managing Director

CHETAN RATHI
SABITHA REDDY
M.V. RAO

Place : Hyderabad
Date : 15.05.2017

Whole-Time Director-cum-CFO

Company Secretary

Compliance Officer

**B.N. RATHI SECURITIES LIMITED**

L65993TG1985PLC005838

(All amounts in Indian Rupees, unless otherwise stated)

Notes Forming Part of the Consolidated Financial Statements**Note : 3 Share Capital**

Particulars	As at March 31, 2017		As at March 31, 2016	
	Number of shares	Amount	Number of shares	Amount
Authorised: Equity shares of Rs.10 each	60,00,000	6,00,00,000	60,00,000	6,00,00,000
Issued, subscribed and fully paid: Equity shares of Rs.10 each	50,40,000	5,04,00,000	50,40,000	5,04,00,000
Total	50,40,000	5,04,00,000	50,40,000	5,04,00,000

(a) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	Opening Balance	Issued during the year	Bought back during the year	Closing Balance
Equity shares				
Year ended March 31, 2017				
- Number of shares	50,40,000	-	-	50,40,000
- Amount	5,04,00,000	-	-	5,04,00,000
Year ended March 31, 2016				
- Number of shares	2,5,20,000	25,20,000	-	50,40,000
- Amount	2,52,00,000	-	-	2,52,00,000

(b) Rights, preferences and restrictions attached to equity shares:

The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

(c) Details of shares held by each shareholder holding more than 5% shares*

Particulars	As at March 31, 2017		As at March 31, 2016	
	Number of shares held	Percentage of holding	Number of shares held	Percentage of holding
Equity shares of Rs.10/- each fully paid				
Hari Narayan Rathi	15,71,490	31.18%	15,71,490	31.18%
Chetan Rathi	3,48,534	6.92%	3,48,534	6.92%
Chanda Devi Rathi	2,62,406	5.21%	2,62,406	5.21%

*As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.


B.N. RATHI SECURITIES LIMITED

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(All amounts in Indian Rupees, unless otherwise stated)

Notes Forming Part of the Consolidated Financial Statements
Note : 4 Reserve and Surplus

Particulars	As at March 31, 2017	As at March 31, 2016
a. Capital Reserve (A)	16,70,100	16,70,100
b. Securities Premium Account (B)		
Opening balance	2,26,16,151	1,22,40,000
Add : Premium on shares issued during the year	-	1,26,00,000
Less : Share issue expenses	-	22,23,849
	2,26,16,151	2,26,16,151
c. General Reserve		
Opening Balance	9,66,955	6,48,985
Add : Transferred from surplus in Statement of Profit and Loss	-	3,17,970
	9,66,955	9,66,955
d. Surplus in Statement of Profit and Loss (C)		
Opening balance	8,18,70,681	6,74,75,452
Add : Profit for the year	2,50,82,568	1,95,66,019
	10,69,53,249	8,70,41,471
Less : Appropriations		
- Transferred to general reserve	-	3,17,970
- Proposed dividend	-	40,32,000
- Tax on proposed dividend	-	8,20,820
- Difference in dividend tax paid	50	-
	50	51,70,790
	10,69,53,199	8,18,70,681
(D)		
Total [A+B+C+D]	13,22,06,405	10,71,23,887

Note 5 : Long Term Borrowings

Particulars	As at March 31, 2017	As at March 31, 2016
a. Term Loans		
From Banks		
Secured (Refer note (i) below)	3,30,681	15,78,910
Total	3,30,681	15,78,910

Note (i):

The term loan taken from HDFC Bank Limited is secured by way of hypothecation of vehicle purchased. The Loan is repayable in 36 equal monthly instalments. The applicable interest rate is 9.37%. The period of maturity with respect to balance sheet date is 16 instalments.

**B.N. RATHI SECURITIES LIMITED**

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(All amounts in Indian Rupees, unless otherwise stated)

Notes Forming Part of the Consolidated Financial Statements**Note 6 : Long Term Provisions**

Particulars	As at March 31, 2017	As at March 31, 2016
Provision for gratuity (Refer note 28)	22,94,111	23,25,364
Total	22,94,111	23,25,364

Note 7 : Short Term borrowings

Particulars	As at March 31, 2017	As at March 31, 2016
Working capital loans and overdrafts [repayable on demand]		
From banks [Refer Note below]		
Secured	10,778	-
Total	10,778	-

Note : Secured against the fixed deposits belonging to the Company with the bank.

Note 8 : Trade Payables

Particulars	As at March 31, 2017	As at March 31, 2016
Creditors - clients	27,32,71,493	25,25,43,289
Creditors - NSEL	4,36,32,253	4,36,32,253
Creditors - Suppliers and other services [Refer note 33 and 34]	2,09,50,860	1,37,93,258
Total	33,78,54,606	30,99,68,800

Note 9 : Other current liabilities

Particulars	As at March 31, 2017	As at March 31, 2016
Current maturities of long term debt [Refer note 5]	12,48,214	11,37,029
Unpaid dividend	15,39,949	15,21,362
Statutory remittances	28,03,214	22,34,341
Client margin deposits	45,47,277	38,99,429
Other deposits - Sub brokers	25,93,713	28,81,574
Other payables	9,667	8,109
Total	1,27,42,034	1,16,81,844

**B.N. RATHI SECURITIES LIMITED**

L65993TG1985PLC005838

(All amounts in Indian Rupees, unless otherwise stated)

Notes Forming Part of the Consolidated Financial Statements**Note 10 : Short Term Provisions**

Particulars	As at March 31, 2017	As at March 31, 2016
Provision for gratuity [Refer note 28]	1,12,629	1,08,283
Provision for taxation (Net of Advance Tax)	5,76,921	-
Proposed dividend	-	40,32,000
Provision for tax on proposed dividend	-	8,20,000
Total	6,89,550	49,61,103

Note 12 : Deferred tax assets Components of deferred tax assets

Particulars	As at March 31, 2017	As at March 31, 2016
Deferred Tax Asset		
Depreciation	23,44,713	25,88,811
Employee benefits	6,63,117	8,04,637
Total	30,07,830	33,93,448

Note 13 : Long term loans and advances (Unsecured, considered good)

Particulars	As at March 31, 2017	As at March 31, 2016
Capital advance	14,74,864	14,74,864
Tax deducted at source (Net of Tax Provision)	-	5,11,642
Security deposits:		
- With exchanges	1,88,00,000	2,84,78,000
Total	2,02,74,864	3,04,64,506

Note 14 : Other Non-current assets (Unsecured, Considered goods)

Particulars	As at March 31, 2017	As at March 31, 2016
Fixed deposits with banks (Refer note 18) (Maturity period more than 12 months)	43,00,000	3,75,00,000
Total	43,00,000	3,75,00,000

Note 15 : Stock in trade

Particulars	As at March 31, 2017	As at March 31, 2016
Stock in trade (refer note below)	8,16,945	16,69,207
Total	8,16,945	16,69,207



B.N. RATHI SECURITIES LIMITED

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(All amounts in Indian Rupees, unless otherwise stated)

Notes Forming Part of the Consolidated Financial Statements

Note : 11 Plant, Property and Equipment

Note 11 A : Tangible Assets

Particulars	Gross Block				Depreciation			Net Block	
	As at April 01, 2016	Additions	Deletions	As at March 31, 2017	As at April 01, 2016	For the Period	On Deletions	As at March 31, 2017	As at March 31, 2016
Furniture and fittings	29,85,815	2,74,057	3,21,257	29,38,615	24,58,117	3,52,518	3,05,162	4,33,142	5,27,698
Motor Vehicles	81,07,130	-	5,10,720	75,96,410	43,07,556	18,71,295	5,10,720	19,28,279	37,99,574
Computers and data processing units	28,00,776	4,50,064	10,71,807	21,79,033	24,11,175	5,03,003	10,71,807	3,36,662	3,89,601
Office equipment	46,46,268	2,21,600	25,26,237	23,41,631	39,38,535	4,97,287	25,12,102	4,17,911	7,07,733
Current year	1,85,39,989	9,45,721	44,30,021	1,50,55,689	1,31,15,383	32,24,103	43,99,791	31,15,994	54,24,606
Previous year	1,24,82,543	68,21,751	7,64,305	1,85,39,989	95,06,641	43,20,468	7,11,726	54,24,605	29,75,902

Note 11 B : Intangible Assets

Particulars	Gross Block			Amortisation			Net Block	
	As at April 01, 2016	Additions	Deletions	As at March 31, 2017	As at April 01, 2016	For the Year	As at March 31, 2017	As at March 31, 2016
Computer software	6,80,411	3,86,711	2,41,359	8,25,763	6,06,948	2,11,051	2,49,123	73,463
Current year	6,80,411	3,86,711	2,41,359	8,25,763	6,06,948	2,11,051	2,49,123	73,463
Previous year	2,86,859	3,93,552	-	6,80,411	2,40,986	3,65,962	73,463	45,873
Current year	1,92,20,400	13,32,432	46,71,380	1,58,81,452	1,37,22,331	34,35,154	33,65,117	54,98,069
Previous year	1,27,69,402	72,15,303	7,64,305	1,92,20,400	97,47,627	46,86,430	54,98,068	30,21,775


B.N. RATHI SECURITIES LIMITED

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(All amounts in Indian Rupees, unless otherwise stated)

Notes Forming Part of the Consolidated Financial Statements

Scrip Name	Face Value	Quantity	As at March 31, 2017	Quantity	As at March 31, 2016
Listed :					
Vantel Technologies Limited	1	20,345	29,907	20,345	29,907
Hinduja Ventures	10	-	-	2,000	9,49,082
BSE Limited	10	200	1,00,00	-	-
Canara Bank	10	75	15,525	-	-
IP Rings Limited	10	16	1,420	-	-
Less :					
Provision for diminution in the value of investments		-	29,907	-	1,09,782
Total (A)			1,16,945		8,69,207
Market value of shares			2,20,275		8,39,300
Un-Listed :					
Mahesh Vidya Bhavan Limited	10	20,000	2,00,000	20,000	2,00,000
Bombay Stock Exchange Limited	10	-	-	400	1,00,000
Sevenhills Co-op. Bank Limited	10	5,000	5,00,000	5,000	5,00,000
Total (B)			7,00,000		8,00,000
Total (A) + (B)			8,16,945		16,69,207

Note 16 : Current Investments (at lower of cost and fair value)

Particulars	As at March 31, 2017	As at March 31, 2016
Investment in Mutual Funds :		
Birla Sun Life Cash Plus - (G)		
11580.119 Units f Rs. 100.00 each (31.03.2016 : Nil)	80,00,000	-
Less : Provision for diminution in value of investment		
Total	80,00,000	-

Aggregate Market value Rs. 80,45,680 (31.03.2016 : Nil)

Note 17 : Trade receivables (Refer Note 33)

Particulars	As at March 31, 2017	As at March 31, 2016
Unsecured, considered good		
Outstanding for a period exceeding six months	4,36,31,645	4,36,30,845
Others	8,79,87,833	4,45,45,231
Total	13,16,19,478	8,81,76,076

**B.N. RATHI SECURITIES LIMITED**

L65993TG1985PLC005838

(All amounts in Indian Rupees, unless otherwise stated)

Notes Forming Part of the Consolidated Financial Statements**Note 18 : Cash and Bank Balances**

Particulars	As at March 31, 2017	As at March 31, 2016
Cash and cash equivalents:		
Cash in hand	16,870	39,697
Balance with banks		
- In current accounts	3,01,45,441	8,79,73,582
	3,01,62,311	8,80,13,279
Other Bank Balances		
- In earmarked accounts		
Unpaid dividend accounts	15,49,949	15,31,362
- Balances with bank in fixed deposits account [Refer note below] [Upto 3 months maturity from the date of acquisition]	4,40,00,000	1,62,00,000
- Balances with bank in fixed deposits account [Refer note below] [Upto 12 months maturity from the date of acquisition and maturity more than 12 months but within one year from the balance sheet date]	12,82,05,009	7,88,41,356
	17,37,54,958	9,65,72,718
Total	20,39,17,269	18,45,85,997

Note: Held as security towards financial assistance availed and security deposits with exchanges.

Note 19 : Short term loans and advances (Unsecured considered good)

Particulars	As at March 31, 2017	As at March 31, 2016
Loans and advances to employees	4,10,000	1,63,000
Margin with exchanges	14,60,50,000	12,15,00,000
Advances to suppliers and others	-	-
Security deposits		
- Related parties [Refer note 30(c)]	16,00,000	5,00,000
- Others	19,80,643	28,28,364
Other receivables	26,09,407	35,48,535
Prepaid expenses	17,06,857	9,69,558
Balance with government authorities	4,70,918	5,15,373
Total	15,48,27,825	13,00,24,830

Note 20 : Other current assets

Particulars	As at March 31, 2017	As at March 31, 2016
Interest accrued on deposits with banks and others	-	67,27,775
Total	-	67,27,775

**B.N. RATHI SECURITIES LIMITED**

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(All amounts in Indian Rupees, unless otherwise stated)

Notes Forming Part of the Consolidated Financial Statements**Note 21 : Revenue from Operations (Net)**

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Income from broking operations	20,75,65,925	16,33,86,616
Other operating revenue	5,53,27,962	4,24,20,352
Income from sale of flats	-	23,00,000
Total	26,28,93,887	20,81,06,968

Note 22 : Other Income

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest income	2,33,81,738	2,22,22,133
Dividend income	87,600	69,100
Profit on sale of Plant, property and equipment	22,794	98,241
Profit on sale of securities	1,83,156	-
Profit on sale of investments in Mutual Funds	3,08,849	-
Miscellaneous income	2,02,766	1,12,567
Total	2,41,86,903	2,25,02,221

Note 23 : Change in inventories of finished goods

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Finished goods		
Opening stock	-	20,97,842
Less : Closing Stock	-	-
Total	-	20,97,842

Note 24 : Construction expenses

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Site expenses	-	17,160
Total	-	17,160

**B.N. RATHI SECURITIES LIMITED**

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(All amounts in Indian Rupees, unless otherwise stated)

Notes Forming Part of the Consolidated Financial Statements**Note 25 : Employee Benefit Expenses**

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Salaries [Refer note 30(b)]	4,54,99,730	3,88,48,260
Contribution to provident and other funds	12,06,704	9,93,360
Staff welfare	4,60,110	3,62,242
Total	4,71,66,544	4,02,03,862

Note 26 : Finance Cost

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest expense on:		
- Working capital	1,29,092	10,93,664
- Term loans	2,06,376	2,38,725
- Others	21,29,858	44,19,081
- Delayed remittance of income tax	938	29,148
- Delayed remittance of service tax	-	500
Other borrowing costs	8,21,937	10,06,627
Total	32,88,201	67,87,745

Note 27 : Other Expenses

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Operating expenses:		
Transaction charges	3,72,54,537	3,18,72,583
Other operating expenses	79,32,378	65,32,375
Others:		
Power and fuel	13,43,095	13,72,103
Rent [Refer note 31]	27,35,829	26,82,553
Repairs and maintenance	13,16,897	11,36,849
Insurance	1,74,765	76,586
Rates and taxes	18,97,856	25,36,627
Communication	19,15,576	18,18,032
Travelling and conveyance	1,71,440	3,39,475
Printing and stationary	10,11,054	9,36,272
Provision for diminution in the value of investments	29,907	1,09,782
Business promotion	3,38,028	1,96,956
Donations	3,40,000	2,50,000
Legal and professional	8,07,446	7,28,730


B.N. RATHI SECURITIES LIMITED

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(All amounts in Indian Rupees, unless otherwise stated)

Notes Forming Part of the Consolidated Financial Statements

Auditor's remuneration:		
- Statutory audit	1,35,000	1,35,000
- Tax audit	25,000	25,000
- Certification	1,75,000	1,85,000
Bad debts written off	96,632	11,266
Loss on sale of Plant, property and equipment	-	3,060
Loss on sale of commodities	16,024	-
Loss on sale of securities	-	1,67,452
General and other administration expenses	31,96,000	28,54,565
Total	6,09,12,464	5,39,70,266

27. Contingent liabilities:

i) Bank Guarantees:

Particulars	2016-17	2015-16
Bank Guarantees	10,65,00,000	9,70,00,000

28. Gratuity

The Group has a defined benefit gratuity plan. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet:

Statement of profit and loss
Net employee benefit expenses recognized in the employee cost

	March 31, 2017	March 31, 2016
Current service cost	1,60,529	1,32,027
Interest cost on benefit obligation	1,74,320	1,52,295
Past Service cost - vested benefits	-	-
Expected return on plan assets	(1,14,627)	(1,18,051)
Net actuarial loss/(gain) recognized in the year	98,435	(9,020)
Net benefit expense	3,18,657	1,57,251

Balance sheet
Benefit liability

	March 31, 2017	March 31, 2016
Present value of defined benefit obligation	(22,62,278)	(21,78,994)
Fair value of plan assets	13,38,149	15,73,522
Plan liability	9,24,129	6,05,472

Changes in the present value of the defined benefit obligation are as follows:

	March 31, 2017	March 31, 2016
Opening defined benefit obligation	21,78,994	19,03,692
Current service cost	1,60,529	1,32,027
Interest cost	1,74,320	1,52,295
Past Service cost – vested benefits	-	-
Benefits paid	(3,50,000)	-
Actuarial losses on obligation	(98,435)	(9,020)
Closing defined benefit obligation	22,62,278	21,78,994

**B.N. RATHI SECURITIES LIMITED**

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(All amounts in Indian Rupees, unless otherwise stated)

Notes Forming Part of the Consolidated Financial Statements**Changes in the fair value of plan assets are as follows:**

	March 31, 2017	March 31, 2016
Opening fair value of plan assets	15,73,522	13,43,298
Expected return	1,14,627	1,18,051
Contributions by employer	-	1,12,173
Benefits paid	(3,50,000)	-
Actuarial (losses)/gains	-	-
Closing fair value of plan assets	13,38,149	15,73,522

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

	March 31, 2017	March 31, 2016
Discount rate (%)	8%	8%
Expected rate of return on assets (%)	8%	8%
Salary escalation (%)	4%	4%
Attrition rate (%)	5%	5%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

29. Segment information:

The Group has considered business segments as the primary segments for disclosure on the basis that the risks and returns of the Group is primarily determined by nature of services. During the year, the company's business has been carried out in India. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary. There are two reportable Segments in the company namely Broking activities and Property development under Accounting Standard - 17 on 'Segment Reporting'.


B.N. RATHI SECURITIES LIMITED

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(All amounts in Indian Rupees, unless otherwise stated)

Notes Forming Part of the Consolidated Financial Statements
Information about the primary business segments

PARTICULARS	For the year ended 31 March, 2017			For the year ended 31 March, 2016		
	Broking Activities	Property Development	Total	Broking Activities	Property Development	Total
Revenue	26,28,93,887	-	26,28,93,887	20,58,06,968	23,00,000	20,81,06,968
Inter-segment revenue	26,28,93,887	-	26,28,93,887	20,58,06,968	23,00,000	20,81,06,968
Segment result	1,76,09,985	(52,014)	1,75,57,971	1,16,57,535	5,80,407	1,10,77,128
Interest Expense	32,88,201	-	32,88,201	67,87,745	26,905	68,14,650
Operating income	1,43,21,784	(52,014)	1,42,69,770	48,69,790	6,07,312	42,62,478
Other income	-	-	2,41,86,903	-	-	1,55,17,221
Profit before taxes	-	-	3,84,56,673	-	-	2,97,79,699
Tax expense	-	-	1,33,74,105	-	-	1,02,13,680
Profit for the year	-	-	2,50,82,568	-	-	1,95,66,019
Segment assets	51,96,46,449	54,39,196	52,50,85,645	47,18,45,051	52,42,503	47,70,87,554
Unallocable assets	1,14,12,023	30,497	1,14,42,520	1,09,31,771	20,584	1,09,52,355
Total Assets	53,10,58,472	54,69,693	53,65,28,165	48,27,76,822	52,63,087	48,80,39,909
Segment Liabilities	53,04,81,551	54,21,546	53,59,03,097	47,79,24,001	52,63,087	48,31,87,088
Unallocable Liabilities	5,76,921	48,147	6,25,068	48,52,820	-	48,52,820
Total Liabilities	53,10,58,472	54,69,693	53,65,28,165	48,27,76,821	52,63,087	48,80,39,908
Other Information						
Capital expenditure-Tangible	99,45,721	-	9,45,721	68,21,751	-	68,21,751
Depreciation and Amortisation	34,35,154	-	34,35,154	46,86,430	-	46,86,430
Unallocated amortisation	-	-	-	-	-	-
Total Depreciation & Amortisation	34,35,154	-	34,35,154	46,86,430	-	46,86,430

**B.N. RATHI SECURITIES LIMITED**

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(All amounts in Indian Rupees, unless otherwise stated)

Notes Forming Part of the Consolidated Financial Statements**30. Related party disclosures as per AS 18:****a) Names of the related parties and nature of relationship:**

Nature of Relationship	Name of Related Party
Key Management Personnel (KMP):	Hari Narayan Rathi - Managing Director Chetan Rathi - Whole-Time Director
Relatives of Key Management Personnel (KMP):	Chanda Devi Rathi -Wife of Hari Narayan Rathi Nisha Rathi - Wife of Chetan Rathi Anuradha Pasari - Daughter of Hari Narayan Rathi Govind Narayan Rathi - Brother of Hari Narayan Rathi

b) Transactions with related parties:

Particulars	2016-17	2015-16
Rent paid	12,24,000	9,72,000
- Chanda Devi Rathi	9,84,000	7,32,000
- Govind Narayan Rathi HUF	2,40,000	2,40,000
Remuneration paid	55,19,275	26,40,000
- Hari Narayan Rathi	31,49,275	16,80,000
- Chetan Rathi	17,70,000	9,60,000
- Nisha Rathi	6,00,000	-
Dividend paid	18,47,163	17,31,717
- Hari Narayan Rathi	12,57,192	11,78,618
- Chetan Rathi	2,78,827	2,61,401
- Chanda Devi Rathi	2,09,925	1,96,805
- Nisha Rathi	1,01,219	94,893
Service rendered – Brokerage received :	89,821	1,90,227
- Hari Narayan Rathi	1,256	1,04,369
- Chetan Rathi	164	5,766
- Chanda Devi Rathi	301	7,594
- Nisha Rathi	46,774	12,005
- Govind Narayan Rathi	41,184	46,315
- Anuradha Pasari	142	202
- Hari Narayan Rathi HUF	-	13,976
Shares allotted:	-	11,84,477
- Hari Narayan Rathi	-	7,85,745
- Chanda Devi Rathi	-	1,74,267
- Chetan Rathi	-	1,31,203
- Nisha Rathi	-	63,262
- Anuradha Pasari	-	20,000
- Laxmi Narayan Rathi	-	10,000

c) Related party balances:

Particulars	As at March 31, 2017	As at March 31, 2016
Rent Deposit :	16,00,000	11,00,000
- Chanda Devi Rathi	15,00,000	10,00,000
- Govind Narayan Rathi HUF	1,00,000	1,00,000

**B.N. RATHI SECURITIES LIMITED**

L65993TG1985PLC005838

(All amounts in Indian Rupees, unless otherwise stated)

Notes Forming Part of the Consolidated Financial Statements**31. Lease obligation as Lessee (Lease Payments):**

Lease payments made under cancellable operating leases have been recognized as an expense in the Statement of Profit and Loss.

32. Earnings per Share (EPS):

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit after tax	2,50,82,568	1,95,66,019
Basic and diluted		
Basic & Diluted (before extraordinary items)	4.98	5.52
Basic & Diluted (After extraordinary items)	4.98	6.52
Weighted average number of shares outstanding	50,40,000	29,99,540
Face value per share (Rs.)	10	10

33. There is no balance confirmation available for the receivables and payables outstanding as on March 31, 2017 and such balances are subject to confirmation and reconciliation.

34. Due to Micro and Small enterprise:

The principal amount remaining unpaid as at March 31, 2017 in respect of enterprises covered under "Micro, Small and Medium Enterprises Development Act, 2006" (MSMEDA) is Rs. Nil.

In respect of transactions with "Suppliers" who constitute Micro, Small and Medium Enterprises under Micro, Small and Medium Enterprises Development Act, 2006 disclosures relating to interest paid/payable are not applicable.

35. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our Report of even date.

For **SESHACHALAM & CO.**,
Chartered Accountants
Firm Registration Number : 003714S

For and on behalf of the Board

T. Bharadwaj
Partner
Membership No. 201042

LAXMINIWAS SHARMA
Chairman

HARINARAYAN RATHI
Managing Director

CHETAN RATHI
Whole-Time Director-cum-CFO

SABITHA REDDY
Company Secretary

M.V. RAO
Compliance Officer

Place : Hyderabad
Date : 11.05.2017



DIRECTOR'S REPORT

To

The Members of B N Rathi Comtrade Private Limited,

We have pleasure in presenting the 9th Annual report together with Audited accounts for the year ended 31st March, 2017.

1. FINANCIAL RESULTS / HIGHLIGHTS, OPERATIONS, STATE OF AFFAIRS

	(Rs. In Lacs)	
Particulars	2016-17	2015-16
Income	740.47	647.72
Total Expenditure	655.20	540.00
Profit/Loss before Tax	85.26	107.72
Provision for taxation	27.69	35.61
Profit after Tax	57.57	72.11
Balance carried to Balance Sheet	57.57	72.11

PERFORMANCE REVIEW :

The Company has made an income of Rs 740.47 lakhs and a profit of Rs. 57.57 lakhs in the current year against the income of Rs. 647.72 Lakhs and a profit of Rs. 72.11 Lakhs in the previous year.

The Company has been continuously working on quality up gradation and austerity measures for achieving efficient running of the organization.

DIVIDEND :

Keeping the Company's expansion and growth plans in mind, the Directors have decided not to recommend dividend for the year.

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS :

There were no material changes taken place subsequent to the date of financial statements.

CHANGE IN THE NATURE OF BUSINESS, IF ANY :

There were no material changes and commitments affecting financial position of the company between 31st March, 2017 and the date of Board's Report. (i.e.) 11.05.2017

BOARD MEETINGS :

The Board of Directors met Five times during the year on 26.04.2016, 24.05.2016, 10.08.2016, 25.10.2016 and 04.02.2017 and the maximum gap between any two meetings was less than four months, as stipulated under the provisions of Companies Act, 2013.

TRANSFER TO RESERVES :

Directors have decided not to transfer any amount to reserves for the year.

PUBLIC DEPOSITS:

The Company has not accepted any deposits falling within the meaning of Sec.73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 during the financial year under review.



CAPITAL OF THE COMPANY :

Authorized Share capital and paid up share capital of the company stands at Rs. 1,00,00,000/- (Rupees one Crore Only) divided in to 10,00,000 equity shares of Rs.10/- each.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO CENTRAL GOVERNMENT.

There were no frauds reported by the auditors as per section 143 (12)

SUBSIDIARY COMPANY :

The Company does not have any subsidiary.

INSURANCE :

The company's properties have been adequately insured against major risks. All the insurable interests of the Company including inventories, buildings, plant and machinery, stock and liabilities under legislative enactments are adequately insured.

DIRECTORS :

During the year no directors were appointed or resigned from the office of Directorship.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Sec. 134(5) of the Companies Act, 2013 the Board of Directors of the Company hereby certifies and confirms that:

- a. In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. The Directors have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The Directors have prepared the Annual accounts on a going concern basis.
- e. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUT GO:

The required information as per Sec.134 of the Companies Act 2013 is provided hereunder:

A. Conservation of Energy

Adequate measures have been taken to reduce energy consumption, wherever possible. Total energy consumption and energy consumption per unit of production is not applicable as company is not included in the industries specified in the schedule.

B. Technology Absorption

1. Research and Development (R&D) : Nil
2. Technology absorption, adoption and innovation : Nil

**C. Foreign Exchange Earnings and Out Go**

Foreign Exchange Earnings	:	Nil
Foreign Exchange Outgo	:	Nil

PARTICULARS OF EMPLOYEES :

The Directors are pleased to record their sincere appreciation of the contribution by the staff at all levels in the improved performance of the Company.

None of the employees is drawing Rs. 1,02,00,000/- and above per annum or Rs. 8,50,000/- and above in aggregate per month, the limits prescribed under Section 197 of the Companies Act, 2013.

AUDITORS :

M/s. Seshachalam & Co., Chartered Accountants, Statutory Auditors of the Company retire at the ensuing Annual General Meeting and being eligible, have expressed their willingness for re-appointment. The directors propose the appointment of M/s. Seshachalam & Co., Chartered Accountants, as statutory auditors to hold office until the conclusion of the next Annual General Meeting of the company.

INDIAN ACCOUNTING STANDARDS :

The Ministry of Corporate Affairs vide its notification dated 16th February, 2015 has notified the Companies (Indian Accounting Standards) Rules, 2015. In pursuance of the said notification, the Company will adopt Indian Accounting Standards with effect from 01st April, 2017. The implementation of Indian Accounting Standards (IAS) is a major change process for which the Company has set up a dedicated team and is providing desired resources for its completion within the time frame. The impact of the change on adoption of said IAS is being assessed.

EXTRACT OF ANNUAL RETURN :

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 as a part of this Annual Report (FORMAT IN ANNEXURE I)

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS :

During the period under review there were no significant and material orders passed by the regulators or Courts or Tribunals impacting the going concern status and the company's operations in future.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS :

The Company has not taken any loan, guarantee or investment as specified under section 186 of the Companies Act, 2013.

RISK MANAGEMENT POLICY :

The Company follows a comprehensive system of Risk Management. The Company has adopted a procedure for assessment and minimization of probable risks. It ensures that all the risks are timely defined and mitigated in accordance with the well-structured risk management process.

CORPORATE SOCIAL RESPONSIBILITY POLICY :

Since the Company does not have the net worth of Rs. 500 crores or more, or turnover of Rs. 1000 crores or more, or a net profit of Rs. 5 crores or more during the financial year, so section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is not applicable to the Company and hence the Company need not adopt any Corporate Social Responsibility Policy.



RELATED PARTY TRANSACTIONS :

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis. During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the company on materiality of related party transactions.

The Directors draw attention of the members to Note 23 to the financial statement which sets out related party disclosures.

INDUSTRY BASED DISCLOSURES AS MANDATED BY THE RESPECTIVE LAWS GOVERNING THE COMPANY :

The Company is not a NBFC, Housing Companies etc., and hence Industry based disclosures is not required.

EVENT BASED DISCLOSURES :

There were no instances which require event based disclosures during the year.

ACKNOWLEDGEMENTS :

The directors would like to express their grateful appreciation for assistance and co-operation received from clients, banks, investors, Government, other statutory authorities and all others associated with the company. The directors also wish to place on record their deep sense of appreciation for the excellent contribution made by the employees at all levels, which enabled the company to achieve sustained growth in the operational performance during the year under review.

For and on behalf of the Board
B N Rathi Comtrade Private Limited

Hari Narayan Rathi
Director
(DIN: 00010968)

Place : Hyderabad
Date : 11.05.2017



MGT 9

Extract of Annual Return

As on the Financial Year 31.03.2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS :

i	CIN	U74900TG2008PTC060088
ii	Registration Date	10.07.2008
iii	Name of the Company	B N. Rathi Comtrade Private Limited
iv	Category / Sub-Category of the Company	Company limited by shares / Non-Government Company
v	Address of the Registered office and contact details	6-3-652, IV Floor, Kautilya, Amrutha Estates, Somajiguda, Hyderabad, Telangana -500082
vi	Whether listed company Yes / No	No
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Name and Description of main products /services	NIC Code of the Product / service	% to total turnover of the company
1. Commodities Broking	-	92

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1. B.N. Rathi Securities Private Limited 6-3-652, IV Floor, Kautilya, Amrutha Estates, Somajiguda, Hyderabad, Telangana -500082	L65993TG1985PLC005838	Holding Company	100%	2(87)



IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total equity)

i) Category-wise Share Holding :

Category of Share holders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Promoters									
(1) Indian Individual/ HUF (as nominee u/sec.187 of the Companies Act, 2013)	-	20	20	0.002	-	20	20	0.002	-
Central Govt	0	0	0	0	0	0	0	0	0
State Govt (s)	0	0	0	0	0	0	0	0	0
Bodies Corp.	-	9,99,980	9,99,980	99.998	-	9,99,980	9,99,980	99.998	-
Banks / FI									
Any Other....									
Sub-total(A) (1)	0	10,00,000	10,00,000	100	0	10,00,000	10,00,000	100	0
(2) Foreign									
a) NRIs Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub-total(A) (2)	0	0	0	0	0	0	0	0	0
Total share holding of Promoter(A)= (A)(1)+(A)(2)	0	10,00,000	10,00,000	100	0	10,00,000	10,00,000	100	0
B. Public Shareholding									
1.Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Fund	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0



2. Non Institutions									
a) Bodies Corp.	0	0	0	0	0	0	0	0	0
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	
i) Individual share holder sholding nominal share capital up to Rs. 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual share holders holding nominal share capital in excess of Rs 1lakh	0	0	0	0	0	0	0	0	0
c) Others (specify)									
Sub-total (B)(2)									
Total Public Shareholding(B)=(B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	00	0	0	0
Grand Total (A+B+C)	0	10,00,000	10,00,000	100	0	10,00,000	10,00,000	100	0

(ii) Shareholding of promoters

Share holder's name	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
1. HARI NARAYAN RATHI (as nominee u/sec.187 of the Companies Act, 2013)	0	10	10	0.001	0	10	10	0.001	0
2. CHETAN RATHI (as nominee u/sec.187 of the Companies Act, 2013)	0	10	10	0.001	0	10	10	0.001	0
3. B.N. RATHI SECURITIES LIMITED (as nominee u/sec.187 of the Companies Act, 2013)	0	9,99,980	9,99,980	99.998	0	9,99,980	9,99,980	99.998	0

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Share holder's name	Shareholding at the beginning of the year		Shareholding at the end of the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year				
Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc): NA				
At the End of the year				



B.N. RATHI COMRADE PRIVATE LIMITED

U74900TG2008PTC060088

(iv) Shareholding Pattern of top ten shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Share holder's name	Shareholding at the beginning of the year		Shareholding at the end of the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year	NA	NA	NA	NA
Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc): NA				
At the End of the year	NA	NA	NA	NA

(v) Shareholding of Directors and Key Managerial Personnel :

For each of the Directors and KMP	Shareholding at the beginning of the year		Shareholding at the end of the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year	20	0.002	20	0.002
Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc): NA				
At the End of the year	20	0.002	20	0.002

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i. Principal Amount				
ii. Interest due but not paid				
iii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction				
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)				



B.N. RATHI COMRADE PRIVATE LIMITED

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VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager :

Particulars of Remuneration	Name of MD/WTD/ Manager Mrs. Nisha Rathi (ED)				Total Amount
1. Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961(b) Value of perquisites u/s17(2) Income-tax Act, 1961(c) Profits in lieu of salaryunder section 17(3) Income tax Act, 1961	6,00,000 p.a.	-	-	-	6,00,000 p.a.
2. Stock Option	-	-	-	-	-
3. Sweat Equity	-	-	-	-	-
4. Commission- as % of profit Others, specify...	-	-	-	-	-
5. Others, please specify	-	-	-	-	-
6. Total (A)	6,00,000	-	-	-	-
7. Ceiling as per the Act	-	-	-	-	-

B. Remuneration to other directors :

Particulars of Remuneration	Name of Director				Total Amount
Independent Directors - Fee for attending board / committee meetings -Commission -Others please specify	-	-	-	-	-
Total (1)	-	-	-	-	-
Other Non-Executive Directors - Fee for attending board / committee meetings -commission -Others please specify	-	-	-	-	-
Total (2)	-	-	-	-	-
Total (B)=(1+2)	-	-	-	-	-
Total Managerial Remuneration	-	-	-	-	-
Overall Ceiling as per the Act	-	-	-	-	-



C. Remuneration to Key Managerial Personnel other than MD/Manager/WTd

Particulars of Remuneration	Key Managerial Personnel			Total
	CEO	Company Secretary	CFO	
1. Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s17(2) Income-tax Act, 1961(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2. Stock Option	-	-	-	-
3. Sweat Equity	-	-	-	-
4. Commission - as % of profit - others, specify...	-	-	-	-
5. Others, please specify	-	-	-	-
6. Total	-	-	-	-

VII. Penalties / Punishment / Compounding of Offences : Not Applicable

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF B.N. RATHI COMTRADE PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of B.N. Rathi Comtrade Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of



the state of affairs of the Company as at March 31, 2017, its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016;
 - (e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 2 to this report;
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company does not have any pending litigations which would impact its financial position
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv) The Company has provided requisite disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 08, 2016 to December 30, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 29 to the financial statements.

For Seshachalam & Co.,
Chartered Accountants
Firm Registration Number. 003714S

T. Bharadwaj
Partner
Membership No. 201042

Place : Hyderabad
Date : 11.05.2017



Annexure 1 to the Independent Auditors' Report

Re: B.N. Rathi Comtrade Private Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given to us, the Company has no immovable property. Accordingly, the provisions of clause 3(i) (c) of the Order are not applicable to the Company and hence not commented upon.
- (ii) To the best of our knowledge and as explained, the Company is not in business of sale of goods. Therefore, in our opinion the provisions of clause 3(ii) of the Companies (Auditors' Report) Order, 2016 is not applicable to the Company and hence not commented upon.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits from the public.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under section 148(1) of the Companies Act, 2013, for the products/ services of the Company.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, service tax, and other statutory dues applicable to it. Provisions of sales-tax, wealth tax, customs duty, excise duty, value added tax and cess are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, service tax and other material statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable. Provisions of sales-tax, wealth tax, customs duty, excise duty, value added tax and cess are not applicable to the Company.
- (c) There are no dues of provident fund, employees' state insurance, income tax, service tax and other material statutory dues which have not been deposited on account of any dispute.
- (viii) The Company has not defaulted in repayment of loans taken from banks.
- (ix) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause 3(ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the



management, we report that no fraud on or by the officers and employees of the Company has been noticed or reported during the year.

- (xi) According to the information and explanations given to us, the managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act 2013.
- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For Seshachalam & Co.,

Chartered Accountants

Firm Registration Number. 003714S

T. Bharadwaj

Partner

Membership No. 201042

Place : Hyderabad

Date : 11.05.2017



Corporate information and Summary of significant accounting policies

1. Corporate Information:

B.N. Rathi Comtrade Private Limited ("BNRCPL" or "the Company") was incorporated under the Companies Act, 1956 ("the Act") on July 10, 2008.

The Company is primarily engaged in the business of broking in commodities.

Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reported year. Actual results could differ from those estimates.

2. Significant Accounting Policies:

Basis of preparation of financial statements

The financial statements are prepared in line with the generally accepted accounting principles in India under the historical cost convention and on an accrual basis of accounting. These financial statements are prepared in accordance with Indian Accounting Standards (AS) under the historical cost convention on the accrual basis, the provisions of the Companies Act, 2013 ('Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI) and pronouncements of The Institute of Chartered Accountants of India ('ICAI').

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

a) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Income from Brokerage

Brokerage income on commodities broking business is recognised as per contracted rates at the execution of transactions on behalf of the clients on the trade date.

Interest income:

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other income" in the statement of profit and loss.

b) Property, plant and equipment

Tangible assets:

Tangible Property, plant and equipment are stated at cost less accumulated depreciation. Cost comprises purchase price and other costs attributable for bringing the asset to its working condition for its intended use.

c) Depreciation

Depreciation on Property, plant and equipment is provided on Straight line method at the rates specified in Schedule II of the Companies Act, 2013 on pro-rata basis. Individual Fixed Assets costing Rs.5,000 and below are fully depreciated in the year of purchase.

**d) Investments**

Investments are classified into current and long term investments. Current investments are stated at the lower of cost and fair value. Long-term investments are stated at cost. A provision for diminution is made to recognise a decline, other than temporary, separately for each individual long term investments. Investments that are readily realisable and are intended to be held for not more than one year from the date on which such investments are made, are classified as "Current investments". All other investments are classified as "Long-term investments".

e) Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating leases.

f) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

g) Taxation:

- (i) Current tax is determined based on the amount of tax payable in respect of taxable income for the year.
- (ii) Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax asset, on timing differences, being the differences between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent years. Deferred Tax Assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.
- (iii) Provision for taxation for the period(s) is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income Tax Act, 1961.
- (iv) Deferred Tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company re-assesses unrecognised deferred tax assets, if any.
- (v) Current tax assets and liabilities are offset when there is a legally enforceable rights to set off the recognised amount and there is intention to settle the assets and the liabilities on a net basis.
- (vi) Deferred tax assets and liabilities are offset when there is a legally enforceable rights to set off assets against liabilities representing the current tax and where the deferred tax and liabilities relate to taxes on income levied by the same governing taxation laws.

h) Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.



i) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

j) Impairment

Assets are reviewed for impairment at each balance sheet date. In case, events and circumstances indicate any impairment, the recoverable amount of these assets is determined. An asset is impaired when the carrying amount of the asset exceeds its recoverable amount. An impairment loss is charged to the Statement of Profit and Loss in the period in which an asset is defined as impaired. An impairment loss recognized in prior accounting periods is adjusted/ reversed if there has been a change in the estimate of the recoverable amount and such loss either no longer exists or has decreased.

k) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.


B.N. RATHI COMRADE PRIVATE LIMITED

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(All amounts in Indian Rupees, unless otherwise stated)

Balance Sheet as at 31st March, 2017

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	1,00,00,000	1,00,00,000
(b) Reserves and surplus	4	2,30,77,353	1,73,19,561
2 Current liabilities			
(a) Trade payables	5		
Total outstanding dues of micro and small enterprises			
Total outstanding dues of creditors other than micro small enterprises		10,65,95,177	9,60,34,193
(c) Other current liabilities	6	13,17,214	15,51,589
(d) Short-term provisions	7	4,19,105	85,342
Total		14,14,08,849	12,49,90,685
B ASSETS			
1 Non-Current Assets			
(a) Plant, property and equipment			
(i) Tangible assets	8	2,76,838	6,76,245
(b) Deferred tax asset	9	4,13,386	4,89,989
(c) Long term loans and advances	10	55,00,000	55,00,000
(d) Other non-current assets	11	25,00,000	3,75,00,000
2 Current assets			
(a) Current investments	12	50,00,000	-
(b) Trade receivables	13	4,36,84,950	4,37,05,218
(c) Cash and bank balances	14	7,23,08,288	1,46,91,184
(d) Short-term loans and advances	15	1,09,43,731	2,16,40,750
(e) Other current assets	16	7,81,656	7,87,299
Total		14,14,08,849	12,49,90,685
Corporate information	1		
Summary of significant accounting policies	2		
Accompanying notes forming an integral part of the financial statements	1 to 30		

As per our Report of even date.

For **SESHACHALAM & CO.,**
Chartered Accountants
Firm Registration Number : 003714S

For and on behalf of the Board

T. Bharadwaj
Partner
Membership No. 201042

Chetan Rathi
Director
DIN : 00536441

Nisha Rathi
Executive Director
DIN : 02210852

Place : Hyderabad
Date : 11.05.2017



Statement of Profit & Loss for the year ended 31st March, 2017

Particulars	Note No.	For the year ended 31.03.2017	For the year ended 31.03.2016
I. Revenue from operations (net)	17	6,91,11,513	6,13,08,659
II. Other income	18	49,35,771	34,64,273
III. Total revenue		7,40,47,284	6,47,72,932
IV. Expenses			
Employee benefit expenses	19	1,21,96,332	93,14,781
Finance costs	20	3,76,719	3,36,737
Depreciation	8	3,76,881	5,88,691
Other Expenses	21	2,06,73,086	1,98,18,865
Share of brokerage		3,18,97,310	2,39,41,434
V. Total expenses		6,55,20,328	5,40,00,508
VI. Profit Before Tax		85,26,956	1,07,72,424
VII. Tax expense			
- Current tax		26,92,561	36,73,147
- Deferred tax		76,603	(1,12,099)
VIII. Profit for the year		57,57,792	72,11,376
IX. Earnings per equity share - Rs.10			
Basic and diluted	25	5.76	7.21
Corporate information	1		
Summary of significant accounting policies	2		
Accompanying notes forming an integral part of the financial statements	1 to 30		

As per our Report of even date.

For **SESHACHALAM & CO.,**
Chartered Accountants
Firm Registration Number : 003714S

For and on behalf of the Board

T. Bharadwaj
Partner
Membership No. 201042

Chetan Rathi
Director

Nisha Rathi
Executive Director

Place : Hyderabad
Date : 11.05.2017



Cash Flow Statement for the year ended 31st March, 2017

Particulars	Note No.	Year ended March 31, 2017	Year ended March 31, 2016
A. Cash flow from operating activities			
Profit before tax		85,26,956	1,07,72,424
Adjustments:			
Depreciation		3,76,881	5,88,691
Loss on sale of fixed assets		16,024	-
Interest expense		26,229	67,133
Interest income		(47,34,561)	(34,11,613)
Cash generated before working capital changes		42,11,529	80,16,635
Increase in trade payables		1,05,60,984	2,22,39,781
(Decrease) / Increase in other current liabilities		(2,34,375)	5,85,873
Decrease / (Increase) in trade receivables		20,268	(65,083)
Decrease / (Increase) in loans and advances		4,56,97,021	(4,69,42,757)
Cash generated from operations		6,02,55,427	(1,61,65,551)
Direct taxes paid (Net)		(23,58,798)	(30,53,163)
Net cash flow from / (used in) operating activities (A)		5,78,96,629	(1,92,18,714)
B. Cash flows from investing activities			
Purchase of Plant, Property and Equipment		-	(1,61,099)
Investment in mutual funds		(50,00,000)	-
Proceeds from sale of plant, property and equipment		6,500	-
Interest received		47,40,204	35,48,090
Net cash flow (used in) / from investing activities (B)		(2,53,296)	33,86,991
C. Cash flows from financing activities			
Repayment of long term borrowings		-	(4,28,451)
(Investment) / redemption of bank deposits		(5,10,38,653)	1,85,94,509
Interest paid		(26,229)	(67,133)
Net Cash Flow From Financing activities (C)		(5,10,64,882)	1,80,98,925
D. Net increase in cash and cash equivalents (A+B+C)		65,78,451	22,67,202
E. Cash and cash equivalents [Refer Note 2(j) and 14]	14		
at the beginning of the year		24,79,837	2,12,635
at the end of the year		90,58,288	24,79,837
Corporate information	1		
Summary of significant accounting policies	2		
Accompanying notes forming an integral part of the financial statements	1 to 30		

The cash flow statement is prepared in accordance with the indirect method stated in Accounting Standard 3 on Cash Flow Statement' and presents the Cash Flows by Operating, Investing and Financing activities.

As per our Report of even date.

For **SESHACHALAM & CO.,**
Chartered Accountants
Firm Registration Number : 003714S

For and on behalf of the Board

T. Bharadwaj
Partner
Membership No. 201042

Chetan Rathi
Director

Nisha Rathi
Executive Director

Place : Hyderabad
Date : 11.05.2017



Notes Forming Part of the Financial Statements

Note 3 : Share Capital

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	No. of shares	Amount Rs.	No. of shares	Amount Rs.
Authorised: Equity shares of Rs.10 each	10,00,000	1,00,00,000	10,00,000	1,00,00,000
Issued, subscribed and fully paid: Equity shares of Rs.10 each	10,00,000	1,00,00,000	10,00,000	1,00,00,000
Total	10,00,000	1,00,00,000	10,00,000	1,00,00,000

(a) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the year :

Particulars	Opening Balance	Issued during the year	Bought back during the year	Closing Balance
Equity shares Year ended March 31, 2017				
- Number of shares	10,00,000	-	-	10,00,000
- Amount	1,00,00,000	-	-	1,00,00,000
Equity shares Year ended March 31, 2016				
- Number of shares	10,00,000	-	-	10,00,000
- Amount	1,00,00,000	-	-	1,00,00,000

(b) **Rights, preferences and restrictions attached to equity shares:**

Equity Shares : The company has one class of equity shares having a face value of Rs.10 per share. Each shareholder is eligible for one vote per share held.

(c) **Details of shares held by holding company**

Name of the Share Holder	As at 31st March, 2017		As at 31st March, 2016	
	No. of shares held	Percentage of holding	No. of shares held	Percentage of holding
B.N. Rathi Securities Limited	10,00,000	100%	10,00,000	100%

(d) **Details of shares held by each shareholder holding more than 5% shares***

Name of the Share Holder	As at 31st March, 2017		As at 31st March, 2016	
	No. of shares held	Percentage of holding	No. of shares held	Percentage of holding
B.N. Rathi Securities Limited	10,00,000	100%	10,00,000	100%

*As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.



Notes Forming Part of the Financial Statements

Note 4 : Reserve & Surplus

Particulars	As at March 31, 2017	As at March 31, 2016
a. Capital reserve		
Opening Balance	1,79,700	1,79,700
Add : Addition during the year	-	-
Less : Utilised / transfeed during the year	-	-
(A)	1,79,700	1,79,700
b. Surplus in Statement of Profit and Loss		
Opening balance	1,71,39,861	99,28,485
Add: Profit for the year	57,57,792	72,11,376
(B)	2,28,97,653	1,71,39,861
Total [A+B]	2,30,77,353	1,73,19,561

Note 5 : Trade Payables (Refer note 26 and 27)

Particulars	As at March 31, 2017	As at March 31, 2016
Creditors - Clients	5,90,52,875	4,81,23,896
Creditors - NSEL	4,36,32,253	4,36,32,253
Creditors - Suppliers and other services	39,10,049	42,78,044
Total	10,65,95,177	9,60,34,193

Note 6 : Other Current Liabilities

Particulars	As at March 31, 2017	As at March 31, 2016
Statutory remittances	6,56,120	10,81,796
Client margin deposits	3,48,579	2,21,944
Other deposits	3,02,848	2,40,240
Other payables	9,667	7,609
Total	13,17,214	15,51,589

Note 7 : Short Term Provisions

Particulars	As at March 31, 2017	As at March 31, 2016
Provision for income tax (Net of advance tax and tax deducted)	4,19,105	85,342
Total	4,19,105	85,342



Note : 8 Plant, property and equipment

i : Tangible Assets

Particulars	Gross Block-at cost				Depreciation				Net Block	
	As at April 01, 2016	Additions	Deletions	Upto March 31, 2017	Upto March 31, 2016	For the year	On disposals	Upto March 31, 2017	As at March 31, 2017	As at March 31, 2016
Furnitures and fittings	23,86,191	-	1,87,231	21,98,960	19,47,854	2,60,219	1,71,136	20,36,937	1,62,023	4,38,387
Office equipments	5,61,151	-	77,700	4,83,451	4,24,616	60,523	71,271	4,13,868	69,583	1,36,565
Motor Vehicles	6,75,678	-	-	6,75,678	5,83,156	49,195	-	6,32,351	43,327	92,522
Computers	4,70,897	-	-	4,70,897	4,62,046	6,944	-	4,68,990	1,907	8,801
Total	40,93,917	-	2,64,931	38,28,986	34,17,672	3,76,881	2,42,407	35,52,146	2,76,840	6,76,245
Previous year	39,32,818	1,61,099	-	40,93,917	28,28,981	5,88,691	-	34,17,672	6,76,245	11,03,887



Notes Forming Part of the Financial Statements

Note 9 : Deferred tax asset - Components of deferred tax asset

Particulars	As at March 31, 2017	As at March 31, 2016
Deferred tax asset		
Depreciation	4,13,386	4,89,989
Gross deferred tax liability	4,13,386	4,89,989

Note 10 : Long term loans and advances (Unsecured, considered good)

Particulars	As at March 31, 2017	As at March 31, 2016
Security deposits: - With exchanges	55,00,000	55,00,000
Total	55,00,000	55,00,000

Note 11 : Other non-current assets (Unsecured, considered good)

Particulars	As at March 31, 2017	As at March 31, 2016
Fixed deposits with banks [Refer Note 14 (b)] (Maturity period more than 12 months)	25,00,000	3,75,00,000
Total	25,00,000	3,75,00,000

Note 12 : Current Investments (at lower of cost and fair value)

Particulars	As at March 31, 2017	As at March 31, 2016
Investments in Mutual Funds		
Birla Sun Life Mutual Fund	50,00,000	-
19,303.842 (31.03.2016 - Nil) units of Rs. 100 each		
Less : Provision for diminution in value of investment	-	-
Total	50,00,000	-

Market value Rs. 50,28,906 [31.03.2016 : Rs. Nil]

Note 13 : Trade receivables (Unsecured, considered good)

Particulars	As at March 31, 2017	As at March 31, 2016
Outstanding for a period exceeding six months		
- NSEL	4,36,30,486	4,36,30,486
- Other than NSEL	-	232
Others		
- NSEL	-	-
- Other than NSEL	54,464	74,500
Total	4,36,84,950	4,37,05,218



Notes Forming Part of the Financial Statements

Note 14 : Cash and bank balances

Particulars	As at March 31, 2017	As at March 31, 2016
a. Cash and cash equivalents		
- Cash in hand	8,059	18,690
- Balance with banks in in current accounts	90,50,229	24,61,147
	90,58,288	24,79,837
b. Other Bank Balances (Refer note below)		
- Balances with Banks in Fixed Deposits Account [Upto 3 months maturity from the date of acquisition]	1,95,00,000	-
- Balances with Banks in Fixed Deposits Account (Upto 12 months maturity from the date of acquisition and maturity more than 12 months but within one year from the balance sheet date)	4,37,50,000	1,22,11,347
	6,32,50,000	1,22,11,347
Total	7,23,08,288	1,46,91,184

Note :

Fixed deposits are given as security towards :

1. Bank Gurantees	1,20,00,000	1,80,00,000
2. Overdraft	1,50,00,000	1,57,11,347
3. Margin Deposit : Multi Commodity Exchange (MCX)	3,40,00,000	1,55,00,000
4. Margin Deposit : National Commodity and Derivative Exchange (NC & DE)	17,50,000	-
5. Others	5,00,000	5,00,000
	6,32,50,000	4,97,11,347

Note 15 : Short term loans and advances (Unsecured, considred good)

Particulars	As at March 31, 2017	As at March 31, 2016
Balance with government authorities	1,63,561	2,19,134
Prepaid Expenses	4,48,544	2,46,266
Loans and advances to employees	1,20,000	25,000
Margin with exchanges	87,50,000	2,00,00,000
Security Deposits given :		
- To a Related party [Refer note 22 (c)]	5,00,000	5,00,000
- To others	9,61,626	6,50,350
Total	1,09,43,731	2,16,40,750

Note 16 : Other current assets (Unsecured, considred good)

Particulars	As at March 31, 2017	As at March 31, 2016
Interest accrued on deposits with bank	7,81,656	7,87,299
Total	7,81,656	7,87,299

**B.N. RATHI COMRADE PRIVATE LIMITED**

U74900TG2008PTC060088

(All amounts in Indian Rupees, unless otherwise stated)

Notes Forming Part of the Financial Statements**Note 17 : Revenue from Operations (Net)**

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Income from broking operations	5,08,48,757	4,45,28,455
Other operating revenue :		
- Transaction charges	1,78,88,679	1,63,24,902
- Other charges	3,74,077	4,55,302
Total	6,91,11,513	6,13,08,659

Note 18 : Other Income

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest on deposits with bank	47,34,561	33,78,047
Interest on income tax refund	-	33,566
Miscellaneous income	2,01,210	52,660
Total	49,35,771	34,64,273

Note 19 : Employee Benefit Expenses

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Salaries and bonus [Refer note 23(b)]	1,21,96,332	93,14,781
Total	1,21,96,332	93,14,781

Note 20 : Finance Costs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest expense on working capital loan	26,229	67,133
Interest on delayed remittance of Income Tax	938	3,072
Bank and other finance charges	3,49,552	2,66,532
Total	3,76,719	3,36,737



Notes Forming Part of the Financial Statements

Note 21 : Other Expenses

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Operating expenses:		
Transaction charges	1,51,33,018	1,50,63,273
Other operating expenses	12,00,000	8,20,000
Other expenses:		
Power and Fuel	5,32,569	4,27,994
Rent [Refer note 24]	5,55,000	5,37,428
Repairs and maintenance	6,18,740	5,51,342
Insurance	18,390	19,608
Rates & Taxes	3,71,656	4,28,200
Communication	10,85,595	9,17,627
Traveling Expenditure	8,189	69,808
Business Promotion	22,002	56,284
Donations & Contributions	1,25,000	1,50,000
Legal & Professional fee	2,10,264	2,37,110
Audit Fee:		
• Statutory audit	50,000	50,000
• Tax audit	10,000	10,000
• Certification	15,000	25,000
Balances written off	96,632	11,266
Loss on trading of commodities	-	3,060
Loss on sale of Property, plant and equipment	16,024	-
Other expenses	6,05,007	4,40,865
Total	2,06,73,086	1,98,18,865

22. Contingent liabilities

Particulars	2016-17	2015-16
Bank Guarantees	2,90,00,000	2,70,00,000

23. Related party transactions as per AS 18 are as follows:

a) Names of the related parties and nature of relationship:

Nature of Relationship	Name of Related Party
Holding Company	B.N. Rathi Securities Limited
Key Managerial Personnel	Nisha Rathi - Executive Director
Relatives of Key Management Personnel (KMP):	Chanda Devi Rathi - Mother-in-law of Nisha Rathi
	Chetan Rathi - Husband of Nisha Rathi



b) Transactions with related parties:

Particulars	2016-17	2015-16
Managerial Remuneration:		
- Nisha Rathi	6,00,000	4,80,000
Rent paid		
- Chanda Devi Rathi	2,40,000	2,48,000
Sharing of expenses :		
- B N Rathi Securities Limited	1,26,42,408	91,21,466
Sharing of expense paid :		
- B N Rathi Securities Limited	1,26,42,408	93,35,508

c) Related party balances:

Particulars	As at March 31, 2017	As at March 31, 2016
Rental Deposit receivable:		
- Chanda Devi Rathi	5,00,000	5,00,000

24. Lease obligation as Lessee (Lease Payments)

Lease payments made under cancellable operating leases have been recognized as an expense in the Statement of Profit and Loss.

25. Earnings per Share (EPS):

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit after tax	57,57,792	72,11,376
Basic and diluted	5.76	7.21
Weighted average number of shares outstanding	1,000,000	1,000,000
Face value per share (Rs.)	10	10

26. There is no balance confirmation available for the receivables and payables outstanding as on March 31, 2017 and such balances are subject to confirmation and reconciliation.

27. The principal amount remaining unpaid as at March 31, 2017 in respect of enterprises covered under "Micro, Small and Medium Enterprises Development Act, 2006" (MSMEDA) is Rs. Nil.

In respect of transactions with "Suppliers" who constitute Micro, Small and Medium Enterprises under Micro, Small and Medium Enterprises Development Act, 2006 disclosures relating to interest paid/payable are not applicable

28. The Company's operations predominantly consist only of Broking in commodities. Hence, there are no reportable segments under Accounting Standard - 17 "Segment Reporting" (AS-17).

During the year, the company's business has been carried out in India. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary. There are no other reportable segments.

**B.N. RATHI COMRADE PRIVATE LIMITED**

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(All amounts in Indian Rupees, unless otherwise stated)

29. Disclosure of Specified Bank Notes (SBNs) :

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308 (E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below :

Particulars	SBNs#	Other denomination notes	Total
Closing cas in hand as on November 8, 2016	13,000	39	13,039
Add : Permitted receipts*	-	45,000	45,000
Less : Permitted payments**	-	36,914	36,914
Less : Amounts deposited in Banks	13,000	-	13,000
Closing cash in hand as on December 30, 2016	-	-	8,125

The term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407 (E), date the 8th November, 2016.

* Receipts include amounts withdrawn from bank.

** Includes amounts paid for day to day expenses and cash deposited.

30. Previous year's figures have been regrouped / reclassified wheever necessary to correspond with the current year's classification / disclosure.

As per our Report of even date.

For **SESHACHALAM & CO.,**
Chartered Accountants
Firm Registration Number : 003714S

For and on behalf of the Board

T. Bharadwaj
Partner
Membership No. 201042

Chetan Rathi
Director
DIN : 00536441

Nisha Rathi
Executive Director
DIN : 02210852

Place : Hyderabad
Date : 11.05.2017



DIRECTOR'S REPORT

To

The Members of B N Rathi Industries Private Limited,

We have pleasure in presenting the 5th Annual report together with Audited accounts for the year ended 31st March, 2017.

1. FINANCIAL RESULTS / HIGHLIGHTS, OPERATIONS, STATE OF AFFAIRS

(Rs. In Lakhs)

Particulars	2016-17	2015-16
Income	3.06	25.43
Total Expenditure	0.52	29.07
Profit/Loss before Tax	2.55	(3.64)
Provision for taxation	0.79	Nil
Profit after Tax	1.76	(3.64)
Balance carried to Balance Sheet	1.76	(3.64)

PERFORMANCE REVIEW :

The Company has made a profit of Rs. 1.76 Lakhs before tax.

DIVIDEND :

Keeping the Company's expansion and growth plans in mind, the Directors have decided not to recommend dividend for the year.

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS :

There were no material changes taken place subsequent to the date of financial statements.

CHANGE IN THE NATURE OF BUSINESS, IF ANY :

There were no material changes and commitments affecting financial position of the company between 31st March and the date of Board's Report. (i.e. 11.05.2017)

BOARD MEETINGS :

The Board of Directors met 4 times during the year on 24.05.2016, 10.08.2016, 25.10.2016 and 04.02.2017 and the maximum gap between any two meetings was less than four months, as stipulated under Provisions of Companies Act, 2013.

TRANSFER TO RESERVES :

Directors have decided not to transfer any amount to reserves for the year.

PUBLIC DEPOSITS :

The Company has not accepted any deposits falling within the meaning of Sec.73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 during the financial year under review.

CAPITAL OF THE COMPANY :

Authorized Share capital and paid up share capital of the company stands at Rs. 50,00,000/- (Rupees Fifty Lakhs Only) divided in to 5,00,000 equity shares of Rs.10/- each.



DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO CENTRAL GOVERNMENT.

There were no frauds reported by the auditors as per section 143 (12).

SUBSIDIARY COMPANY :

The Company does not have any subsidiary.

INSURANCE :

The company's properties have been adequately insured against major risks. All the insurable interests of the Company including inventories, buildings, plant and machinery, stock and liabilities under legislative enactments are adequately insured.

DIRECTORS :

During the year no directors were appointed or resigned from the office of Directorship.

DIRECTORS RESPONSIBILITY STATEMENT :

Pursuant to the provisions of Sec. 134(5) of the Companies Act, 2013 the Board of Directors of the Company hereby certifies and confirms that:

- a. In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. The Directors have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The Directors have prepared the Annual accounts on a going concern basis.
- e. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUT GO :

The required information as per Sec.134 of the Companies Act 2013 is provided hereunder:

A. Conservation of Energy

Adequate measures have been taken to reduce energy consumption, wherever possible. Total energy consumption and energy consumption per unit of production is not applicable as company is not included in the industries specified in the schedule.

B. Technology Absorption

1. Research and Development (R&D) : Nil
2. Technology absorption, adoption and innovation : Nil

**C. Foreign Exchange Earnings and Out Go**

- | | |
|------------------------------|-------|
| 1. Foreign Exchange Earnings | : Nil |
| 2. Foreign Exchange Outgo | : Nil |

PARTICULARS OF EMPLOYEES:

The Directors are pleased to record their sincere appreciation of the contribution by the staff at all levels in the improved performance of the Company.

None of the employees is drawing Rs. 1,02,00,000/- and above per annum or Rs.8,50,000/- and above in aggregate per month, the limits prescribed under Section 134 of the Companies Act, 2013.

AUDITORS :

M/s. Seshachalam & Co., Chartered Accountants, Statutory Auditors of the Company retire at the ensuing Annual General Meeting and being eligible, have expressed their willingness for re-appointment. The directors propose the appointment of M/s. Seshachalam & Co., Chartered Accountants, as statutory auditors to hold office until the conclusion of the next Annual General Meeting of the company.

INDIAN ACCOUNTING STANDARDS

The Ministry of Corporate Affairs vide its notification dated 16th February, 2015 has notified the Companies (Indian Accounting Standards) Rules, 2015. In pursuance of the said notification, the Company will adopt Indian Accounting Standards with effect from 01st April, 2017. The implementation of Indian Accounting Standards (IAS) is a major change process for which the Company has set up a dedicated team and is providing desired resources for its completion within the time frame. The impact of the change on adoption of said IAS is being assessed.

EXTRACT OF ANNUAL RETURN :

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 as a part of this Annual Report (FORMAT IN ANNEXURE I)

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS :

During the period under review there were no significant and material orders passed by the regulators or Courts or Tribunals impacting the going concern status and the company's operations in future.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS :

The Company has not taken any loan, guarantee or investment as specified under section 186 of the Companies Act, 2013.

RISK MANAGEMENT POLICY :

The Company follows a comprehensive system of Risk Management. The Company has adopted a procedure for assessment and minimization of probable risks. It ensures that all the risks are timely defined and mitigated in accordance with the well-structured risk management process.

CORPORATE SOCIAL RESPONSIBILITY POLICY :

Since the Company does not has the net worth of Rs. 500 crores or more, or turnover of Rs. 1000 crores or more, or a net profit of Rs. 5 crores or more during the financial year, section 135 of the



Companies Act, 2013 relating to Corporate Social Responsibility is not applicable to the Company and hence the Company need not adopt any Corporate Social Responsibility Policy

RELATED PARTY TRANSACTIONS :

There are no related party transactions during the financial year 2016-17.

INDUSTRY BASED DISCLOSURES AS MANDATED BY THE RESPECTIVE LAWS GOVERNING THE COMPANY :

The Company is not a NBFC, Housing Companies etc., and hence Industry based disclosures is not required.

EVENT BASED DISCLOSURES :

There were no instances which require event based disclosures during the year.

ACKNOWLEDGEMENTS :

The directors would like to express their grateful appreciation for assistance and co-operation received from clients, banks, investors, Government, other statutory authorities and all others associated with the company. The directors also wish to place on record their deep sense of appreciation for the excellent contribution made by the employees at all levels, which enabled the company to achieve sustained growth in the operational performance during the year under review.

For and on behalf of the Board
B N Rathi Industries Private Limited

Hari Narayan Rathi
Director
(DIN: 00010968)

Place : Hyderabad
Date : 11.05.2017



MGT 9

Extract of Annual Return

As on the Financial Year 31.03.2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS :

i	CIN	U45209TG2012PTC082486
ii	Registration Date	13.08.2012
iii	Name of the Company	B N. Rath Industries Private Limited
iv	Category / Sub-Category of the Company	Company limited by shares / Non-Government Company
v	Address of the Registered office and contact details	6-3-652, IV Floor, Kautilya, Amrutha Estates, Somajiguda, Hyderabad, Telangana -500082
vi	Whether listed company Yes / No	No
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Name and Description of main products /services	NIC Code of the Product / service	% to total turnover of the company
1. Construction	-	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1. B.N. Rath Securities Private Limited 6-3-652, IV Floor, Kautilya, Amrutha Estates, Somajiguda, Hyderabad, Telangana -500082	L65993TG1985PLC005838	Holding Company	100%	2(87)



IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total equity)

i) Category-wise Share Holding :

Category of Share holders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Promoters									
(1) Indian									
Individual/ HUF (as nominee u/sec.187 of the Companies Act, 2013)	-	30	30	0.006	-	30	30	0.006	0
Central Govt	0	0	0	0	0	0	0	0	0
State Govt (s)	0	0	0	0	0	0	0	0	0
Bodies Corp.	-	4,99,970	4,99,070	99.994	-	4,99,970	4,99,970	99.994	0
Banks / FI									
Any Other....									
Sub-total(A) (1)	0	5,00,000	5,00,000	100	0	5,00,000	5,00,000	100	0
(2) Foreign									
a) NRIs									
Individuals	0	0	0	0	0	0	0	0	0
b) Other									
Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	00	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub-total(A) (2)	0	0	0	0	0	0	0	0	0
Total share holding of Promoter(A)= (A)(1)+(A)(2)	0	5,00,000	5,00,000	100	0	5,00,000	5,00,000	100	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Fund	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0



B.N. RATHI INDUSTRIES PRIVATE LIMITED

U45209TG2012PTC082486

2. Non Institutions									
a) Bodies Corp	0	0	0	0	0	0	0	0	0
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	
i) Individual share holder sholding nominal share capital up to Rs. 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual share holders holding nominal share capital in excess of Rs 1lakh	0	0	0	0	0	0	0	0	0
c) Others (specify)									
Sub-total (B)(2)									
Total Public Shareholding(B) = (B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held byCustodian for GDRs & ADRs	0	0	0	0	0	00	0	0	0
Grand Total (A+B+C)	0	5,00,000	5,00,000	100	0	5,00,000	5,00,000	100	0

(ii) Shareholding of promoters

Share holder's name	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
1. HARI NARAYAN RATHI (as nominee u/sec.187 of the Companies Act, 2013)	0	10	10	0.002	0	10	10	0.002	0
2. CHETAN RATHI (as nominee u/sec.187 of the Companies Act, 2013)	0	10	10	0.002	0	10	10	0.002	0
3. CHANDA DEVI RATHI (as nominee u/sec.187 of the Companies Act, 2013)	0	10	10	0.002	0	10	10	0.002	0
4. B.N. RATHI SECURITIES LIMITED	0	4,99,970	4,99,970	99.994	0	4,99,970	4,99,970	99.994	0

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Share holder's name	Shareholding at the beginning of the year		Shareholding at the end of the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year	NA			
Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc): NA				
At the End of the year				



(iv) Shareholding Pattern of top ten shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Share holder's name	Shareholding at the beginning of the year		Shareholding at the end of the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year	NA	NA	NA	NA
Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc): NA				
At the End of the year	NA	NA	NA	NA

(v) Shareholding of Directors and Key Managerial Personnel :

For each of the Directors and KMP	Shareholding at the beginning of the year		Shareholding at the end of the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year	30 (as Nominee u/sec.187 of the Companies Act, 2013)	0.006 (as Nominee u/sec.187 of the Companies Act, 2013)	30	0.006
Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc): NA				
At the End of the year	30	0.006	30	0.006

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i. Principal Amount ii. Interest due but not paid iii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)				
Change in Indebtedness during the financial year Addition Reduction	-	-	-	-
Net Change				
Indebtedness at the end of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due	-	-	-	
Total (i+ii+iii)				



VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager :

Particulars of Remuneration	Name of MD/WTD/ Manager Mrs. Nisha Rathi (ED)				Total Amount
1. Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961(b) Value of perquisites u/s17(2) Income-tax Act, 1961(c) Profits in lieu of salaryunder section 17(3) Income tax Act, 1961	-	-	-	-	-
2. Stock Option	-	-	-	-	-
3. Sweat Equity	-	-	-	-	-
4. Commission- as % of profit Others, specify...	-	-	-	-	-
5. Others, please specify	-	-	-	-	-
6. Total (A)	-	-	-	-	-
7. Ceiling as per the Act	-	-	-	-	-

B. Remuneration to other directors :

Particulars of Remuneration	Name of Director				Total Amount
Independent Directors - Fee for attending board / committee meetings -Commission -Others please specify	-	-	-	-	-
Total (1)	-	-	-	-	-
Other Non-Executive Directors - Fee for attending board / committee meetings -commission -Others please specify	-	-	-	-	-
Total (2)	-	-	-	-	-
Total (B)=(1+2)	-	-	-	-	-
Total Managerial Remuneration	-	-	-	-	-
Overall Ceiling as per the Act	-	-	-	-	-


C. Remuneration to Key Managerial Personnel other than MD/Manager/WT

Particulars of Remuneration	Key Managerial Personnel			Total
	CEO	Company Secretary	CFO	
1. Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s17(2) Income-tax Act, 1961(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2. Stock Option	-	-	-	-
3. Sweat Equity	-	-	-	-
4. Commission - as % of profit - others, specify...	-	-	-	-
5. Others, please specify	-	-	-	-
6. Total	-	-	-	-

VII. Penalties / Punishment / Compounding of Offences : Not Applicable

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF B. N. RATHI INDUSTRIES PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of B. N. Rathie Industries Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India



of the state of affairs of the Company as at March 31, 2017, its Profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016;
 - (e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 2 to this report;
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company does not have any pending litigations which would impact its financial position
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv) The Company did not have any holdings and dealings in Specified Bank Notes during the period from November 08, 2016 to December 30, 2016.

For SESHACHALAM & CO
Chartered Accountants
Firm registration number: 003714S

T. Bharadwaj
Partner
Membership No.201042

Place : Hyderabad
Date : 11.05.2017



Annexure 1 to the Independent Auditors' Report

Re: B. N. Rathi Industries Private Limited ('the Company')

- (a) (i) According to the information and explanations given to us, the Company has no fixed assets. Accordingly, the provisions of clause 3(i) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (ii) To the best of our knowledge and as explained, the Company is not in business of sale of goods. Therefore, in our opinion the provisions of clause 3(ii) of the Companies (Auditors' Report) Order, 2016 is not applicable to the Company and hence not commented upon.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits from the public.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under section 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including income tax, service tax and other statutory dues applicable to it. Provisions of provident fund, employees' state insurance, wealth tax, customs duty, excise duty and cess are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, service tax and other material statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable. Provisions of provident fund, employees' state insurance, wealth tax, customs duty, excise duty and cess are not applicable to the Company.
- (c) There are no dues of provident fund, employees' state insurance, income tax, service tax and other material statutory dues which have not been deposited on account of any dispute.
- (viii) The Company has no outstanding dues during the year from any financial institution; bank or debenture holders or government and accordingly the provisions of clause 3(viii) of the Order are not applicable to the Company and hence not commented upon.
- (ix) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause 3(ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given



B.N. RATHI INDUSTRIES PRIVATE LIMITED

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- by the management, we report that no fraud on or by the officers and employees of the Company has been noticed or reported during the year.
- (xi) The provisions of section 197 read with Schedule V to the Companies Act, 2013 are not applicable to the Company. Therefore, the requirements under paragraph 3(xi) of the Order are not applicable to the Company and hence not commented upon.
 - (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
 - (xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;
 - (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.
 - (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
 - (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For SESHACHALAM & CO

Chartered Accountants

Firm registration number: 003714S

T. Bharadwaj

Partner

Membership No.201042

Place : Hyderabad

Date : 11.05.2017



Corporate information and Summary of significant accounting policies

1. Corporate Information:

B.N.Rathi Industries Private Limited ("BNRIPL" or "the Company") was incorporated under the Companies Act, 1956 ("the Act") on August 13, 2012.

The Company is involved in the business of property development and sale.

Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reported year. Actual results could differ from those estimates.

2. Significant Accounting Policies:

a) Basis of Preparation:

These financial statements are prepared in accordance with Indian Accounting Standards (AS) under the historical cost convention on the accrual basis, the provisions of the Companies Act, 2013 ('Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI) and pronouncements of The Institute of Chartered Accountants of India ('ICAI').

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

b) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue on sale of property is recognized based on percentage completion method and upon transferring significant risks and rewards of ownership associated with the real estate property.

c) Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating leases.

d) Investments

Investments are classified into current and long term investments. Current investments are stated at the lower of cost and fair value. Long-term investments are stated at cost. A provision for diminution is made to recognise a decline, other than temporary, separately for each individual long term investments. Investments that are readily realisable and are intended to be held for not more than one year from the date on which such investments are made, are classified as "Current investments". All other investments are classified as "Long-term investments".

e) Earnings Per Share

The Company reports basic and diluted earnings per share in accordance with Accounting Standard (AS) 20, Earnings Per Share. Basic earnings per equity share is computed by dividing the net profit for the year attributable to the Equity Shareholders by the weighted average number of equity shares outstanding during the year.



f) Taxation

Current Tax is the amount of tax payable on taxable income for the period determined in accordance with the provisions of Income Tax Act, 1961.

Deferred Tax - Deferred tax resulting from “timing differences” between book profit and taxable profit is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the balance sheet date. Deferred tax assets are recognized only to the extent that there is a virtual certainty that such assets will be realized in future. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

g) Impairment of assets

The carrying amount of assets is reviewed at each balance sheet date to determine whether there is any indication of impairment, if any such indication exists; the recoverable amount of the assets is estimated. The recoverable amount is the greater of the asset’s net selling price and value in use, which is determined, based on the estimated future cash flow discounted to their present values. An impairment loss is recognized whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

h) Provisions, contingent liabilities and contingent assets

The company recognizes provisions when there is present obligation as a result of past event and it is probable that there will be an outflow of resources embodying economic benefits and reliable estimate can be made of the amount of the obligation. A disclosure for Contingent liabilities is made in the notes on accounts when there is a possible obligation or a present obligation where it is not probable that an outflow of resources embodying economic benefits will be required or a reliable estimate cannot be made. Contingent assets are neither recognized nor disclosed in the financial statements.

i) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.


B.N. RATHI INDUSTRIES PRIVATE LIMITED

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(All amounts in Indian Rupees, unless otherwise stated)

Balance Sheet as at 31st March, 2017

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	50,00,000	50,00,000
(b) Reserves and surplus	4	4,11,546	2,35,678
2 Current liabilities			
(a) Trade Payable	5	-	-
Total Outstanding dues of micro and small enterprises		10,000	10,000
Total Outstanding dues of creditors other than micro and small enterprises			
(b) Other current liabilities	6	-	17,409
(d) Short term provisions	7	48,147	-
Total		54,69,693	52,63,087
B ASSETS			
1 Non-current assets			
Long term loans and advances	8	-	20,584
2 Current assets			
(a) Current Investments	9	30,00,000	-
(b) Cash and bank balances	10	24,54,955	52,14,896
(c) Other current assets	11	14,738	27,607
Total		54,69,693	52,63,087
Corporate information	1		
Summary of significant accounting policies	2		
Accompanying notes forming an integral part of the financial statements	1 to 25		

As per our Report of even date.

For **SESHACHALAM & CO.,**
Chartered Accountants
Firm Registration Number : 003714S

For and on behalf of the Board

T. Bharadwaj
Partner
Membership No. 201042

Chetan Rathi
Director
DIN : 00536441

Chanda Devi Rathi
Director
DIN : 05278997

Place : Hyderabad
Date : 11.05.2017


B.N. RATHI INDUSTRIES PRIVATE LIMITED

U45209TG2012PTC082486

(All amounts in Indian Rupees, unless otherwise stated)

Statement of Profit & Loss for the year ended 31st March, 2017

Particulars	Note No.	For the year ended 31.03.2017	For the year ended 31.03.2016
I. Revenue from operations	12	-	23,00,000
II. Other income	13	3,06,526	2,43,164
III. Total Revenue (I+II)		3,06,526	25,43,164
IV. Expenses			
Change in inventories of finished goods	14	-	20,97,842
Construction expenses	15	-	17,160
Employee benefit expenses	16	-	1,83,100
Finance costs	17	-	26,905
Other expenses	18	52,014	5,82,305
Total Expenses		52,014	29,07,312
V. Profit / (Loss) before tax (III-IV)		2,54,512	(3,64,148)
VI. Tax expense			
Current tax		78,644	-
VII. Profit / (Loss) for the year (V-VI)		1,75,868	(3,64,148)
Earnings per equity share - Rs. 10			
Basic and diluted	21	0.35	(0.73)
Corporate information	1		
Summary of significant accounting policies	2		
Accompanying notes forming an integral part of the financial statements	1 to 25		

As per our Report of even date.

For **SESHACHALAM & CO.,**
Chartered Accountants
Firm Registration Number : 003714S

For and on behalf of the Board

T. Bharadwaj
Partner
Membership No. 201042

Chetan Rath
Director
DIN : 00536441

Chanda Devi Rath
Director
DIN : 05278997

Place : Hyderabad
Date : 11.05.2017


B.N. RATHI INDUSTRIES PRIVATE LIMITED

U45209TG2012PTC082486

(All amounts in Indian Rupees, unless otherwise stated)

Cash Flow Statement for the year ended 31st March, 2017

Particulars	Note No.	Year ended March 31, 2017	Year ended March 31, 2016
A. Cash flow from operating activities			
Profit before tax		2,54,512	(3,64,148)
Adjustments:			
Interest income		(3,04,970)	(2,13,164)
Operating profit before working capital changes		(50,458)	(5,77,312)
Decrease in trade payables		-	(3,23,430)
Decrease / (increase) in other current liabilities		(17,409)	13,659
Decrease in inventories		-	20,97,842
Increase in loans and advances		(20,584)	(35,138)
Cash generated from operations		(88,451)	11,75,621
Direct taxes (paid) / refund		(10,671)	2,38,916
Net cash flow (used in) / from operating activities (A)		(77,780)	9,36,705
B. Cash flows from investing activities			
Investment in mutual funds		(30,00,000)	-
Interest Income		3,17,839	2,02,436
Net cash flow (used in) / from investing activities (B)		(26,82,161)	2,02,436
C. Cash flows from financing activities			
Redemption / (Investment) in bank deposits		32,00,000	(27,00,000)
Net Cash Flow From / (used in) Financing activities (C)		32,00,000	(27,00,000)
D. Net increase / (decrease) in cash and cash equivalents (A+B+C)		4,40,059	(15,60,859)
E. Cash and cash equivalents [Refer Note 2(h) & 10]	10		
at the beginning of the year		14,896	15,75,755
at the end of the year		4,54,955	14,896
Corporate information	1		
Summary of significant accounting policies	2		
Accompanying notes forming an integral part of the financial statements	1 to 25		

The cash flow statement is prepared in accordance with the indirect method stated in Accounting Standard 3 on Cash Flow Statement and presents the Cash Flows by Operating, Investing and Financing activities.

As per our Report of even date.

For **SESHACHALAM & CO.,**

Chartered Accountants

Firm Registration Number : 003714S

For and on behalf of the Board

T. Bharadwaj

Partner

Membership No. 201042

Chetan Rathi

Director

DIN : 00536441

Chanda Devi Rathi

Director

DIN : 05278997

Place : Hyderabad

Date : 11.05.2017


B.N. RATHI INDUSTRIES PRIVATE LIMITED

U45209TG2012PTC082486

(All amounts in Indian Rupees, unless otherwise stated)

Notes Forming Part of the Financial Statements
Note 3 : Share Capital

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	No. of shares	Amount Rs.	No. of shares	Amount Rs.
Authorised:				
Equity shares of Rs.10 each	5,00,000	50,00,000	5,00,000	50,00,000
	5,00,000	50,00,000	5,00,000	50,00,000
Issued, subscribed and fully paid:				
Equity shares of Rs.10 each	5,00,000	50,00,000	5,00,000	50,00,000
Total	5,00,000	50,00,000	5,00,000	50,00,000

(a) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the year :

Particulars	Opening Balance	Issued during the year	Bought back during the year	Closing Balance
Equity shares				
Year ended March 31, 2017				
- Number of shares	5,00,000	-	-	5,00,000
- Amount	50,00,000	-	-	50,00,000
Year ended March 31, 2016				
- Number of shares	5,00,000	-	-	5,00,000
- Amount	50,00,000	-	-	50,00,000

(b) Shares held by holding company

Name of the Shareholder	As at 31st March, 2017		As at 31st March, 2016	
	No. of shares	Percentage of holding	No. of shares	Percentage of holding
B.N. Rathi Securities Limited	5,00,000	100.00%	5,00,000	100.00%

(c) **Rights, preferences and restrictions attached to shares**

The company has one class of equity shares having a face value of Rs.10 per share. Each shareholder is eligible for one vote per share held.

(d) **Details of shares held by each shareholder holding more than 5% shares***

Name of the Shareholder	As at 31st March, 2017		As at 31st March, 2016	
	No. of shares held	Percentage of holding	No. of shares held	Percentage of holding
B.N. Rathi Securities Limited	5,00,000	100%	5,00,000	100%

*As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

**B.N. RATHI INDUSTRIES PRIVATE LIMITED**

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(All amounts in Indian Rupees, unless otherwise stated)

Notes Forming Part of the Financial Statements**Note 4 : Reserves & Surplus**

Particulars	As at March 31, 2017	As at March 31, 2016
Surplus in Statement of Profit and Loss		
Opening balance	2,35,678	5,99,826
Add: Profit / (Loss) for the year	1,75,868	(3,64,148)
Total	4,11,546	2,35,678

Note 5 : Trade payables

Particulars	As at March 31, 2017	As at March 31, 2016
Trade Payables (Refer Note 22 & 23)	10,000	10,000
Total	10,000	10,000

Note 6 : Other Current Liabilities

Particulars	As at March 31, 2017	As at March 31, 2016
Statutory remittances	-	16,909
Other Payables	-	500
Total	-	17,409

Note 7 : Short term provisions

Particulars	As at March 31, 2017	As at March 31, 2016
Provision for taxation (Net of Tax Deducted at Source)	48,147	-
Total	48,147	-

Note 8 : Long term loans and advances (Unsecured, considered good)

Particulars	As at March 31, 2017	As at March 31, 2016
Tax deducted at source (Net of Provision for taxation)	-	20,584
Total	-	20,584

Note 9 : Current Investments (at lower of cost and fair value)

Particulars	As at March 31, 2017	As at March 31, 2016
Investment in Mutual Funds :		
Birla Sun Life Cash Plus - (G)		
11580.119 Units or Rs. 100.00 each (31.03.2016 : Nil)	30,00,000	-
Total	30,00,000	-

Market value : Rs. 30,16,774 (31.03.2016 : Rs. Nil)


B.N. RATHI INDUSTRIES PRIVATE LIMITED

U45209TG2012PTC082486

(All amounts in Indian Rupees, unless otherwise stated)

Notes Forming Part of the Financial Statements
Note 10 : Cash and bank balances

Particulars	As at March 31, 2017	As at March 31, 2016
Cash and cash equivalents:		
Cash in hand	70	71
Balance with banks :		
In current accounts	4,54,885	14,825
	4,54,955	14,896
Other Bank Balances		
Margin money deposits with banks with maturity period more than 3 months but less than 12 months	20,00,000	52,00,000
	20,00,000	52,00,000
Total	24,54,955	52,14,896

Note 11 : Other Current Assets (Unsecured, considered goods)

Particulars	As at March 31, 2017	As at March 31, 2016
Interest accrued on bank deposits	14,738	27,607
Total	14,738	27,607

Note 12 : Revenue from operations (Net)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Income from sale of flats	-	23,00,000
Total	-	23,00,000

Note 13 : Other Income

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest on fixed deposit with bank	3,04,970	2,13,164
Miscellaneous income	1,556	30,000
Total	3,06,526	2,43,164

Note 14 : Change in inventories of Finished goods

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Finished Goods		
Opening Stock	-	20,97,842
Less: Closing Stock	-	-
Total	-	20,97,842

**B.N. RATHI INDUSTRIES PRIVATE LIMITED**

U45209TG2012PTC082486

(All amounts in Indian Rupees, unless otherwise stated)

Notes Forming Part of the Financial Statements**Note 15 : Construction expenses**

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Site expenses	-	17,160
Total	-	17,160

Note 16 : Employee benefits expenses

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Salaries and wages	-	1,83,100
Total	-	1,83,100

Note 17 : Finance costs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest expense on delayed remittance of service tax	-	500
Interest expense on delayed remittance of income tax	-	26,076
Bank Charges	-	329
Total	-	26,905

Note 18 : Other expenses

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Power and fuel	-	2,890
Rent [Refer note 20]	24,000	71,100
Insurance	-	9,640
Communication	10,014	9,414
Rates and taxes	5,050	4,15,355
Travelling and conveyance	-	15,712
Printing and stationery	-	-
Legal and professional	1,500	39,000
Audit fee		
- Statutory audit	10,000	10,000
Miscellaneous expenses	1,450	9,194
Total	52,014	5,82,305

**B.N. RATHI INDUSTRIES PRIVATE LIMITED**

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(All amounts in Indian Rupees, unless otherwise stated)

Notes Forming Part of the Financial Statements

19. Related party disclosures, as required by AS-18, "Related Party Disclosure" is given below:

a) Names of the related parties and nature of relationship:

Nature of Relationship	Name of Related Party
Holding company	B.N. Rathi Securities Limited
Key Management Personnel (KMP):	Chanda Devi Rathi
Relative of Key Managerial Personnel	Hari Narayan Rathi - Husband of Chanda Devi Rathi Chetan Rathi - Son of Chanda Devi Rathi

b) Transactions with related parties:

Particulars	2016-17	2015-16
Unsecured loan taken		
- B N Rathi Securities Limited	-	2,00,000
Unsecured loan repaid		
- B N Rathi Securities Limited	-	2,00,000
Rent paid		
- Chanda Devi Rathi	24,000	60,000

20. Lease obligation as Lessee (Lease Payments)

Lease payments made under cancellable operating leases have been recognized as an expense in the Statement of Profit and Loss.

21. Earnings per share:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit / (Loss) after tax	1,75,868	(3,64,148)
Basic and diluted	0.35	(0.73)
Weighted average number of shares outstanding	5,00,000	5,00,000
Face value per share (Rs.)	10	10

22. The balance for receivables and payables outstanding as on March 31, 2017 are subject to confirmation and reconciliation.

23. The principal amount remaining unpaid as at March 31, 2017 in respect of enterprises covered under "Micro, Small and Medium Enterprises Development Act, 2006" (MSMEDA) is Rs. Nil.

In respect of transactions with "Suppliers" who constitute Micro, Small and Medium Enterprises under Micro, Small and Medium Enterprises Development Act, 2006 disclosures relating to interest paid/payable are not applicable.

24. The Company's operations predominantly consist only of Property Development. Hence, there are no reportable segments under Accounting Standard – 17 "Segment Reporting" (AS-17).

During the year, the company's business has been carried out in India. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary. There are no other reportable segments.

**B.N. RATHI INDUSTRIES PRIVATE LIMITED**

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(All amounts in Indian Rupees, unless otherwise stated)

25. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our Report of even date.

For **SESHACHALAM & CO.,**
Chartered Accountants
Firm Registration Number : 003714S

For and on behalf of the Board

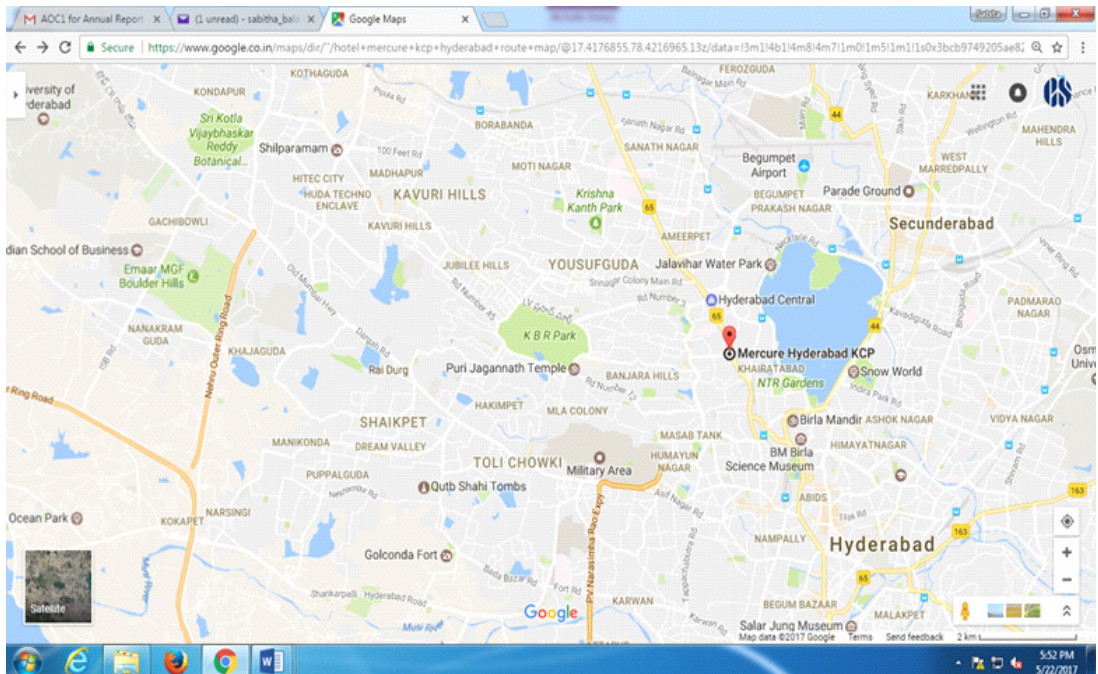
T. Bharadwaj
Partner
Membership No. 201042

Chetan Rathi
Director
DIN : 00536441

Chanda Devi Rathi
Director
DIN : 05278997

Place : Hyderabad
Date : 11.05.2017

Road Map of the Hotel Mercure Hyderabad KCP Meeting venue





Form No. MGT-11
PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies
(Management and Administration) Rules, 2014]

CIN : L65993TG1985PLC005838
Name of the company : B.N. Rathi Securities Limited
Registered office : 6-3-652, IV Floor, Kautilya, Amrutha Estates,
Somajiguda, Hyderabad, Telangana - 500082

Name of the member(s) :
Registered Address :
E-mail Id :
Folio No./Client Id :
DP ID :

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name :
Address :
E-mail Id :
Signature :, or failing him
2. Name :
Address :
E-mail Id :
Signature :, or failing him
3. Name :
Address :
E-mail Id :
Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 31st Annual General Meeting of the Company, to be held on Saturday, 5th day of August, 2017 at 11.00 A.M. at Hotel Mercure Hyderabad KCP, 6-3-551, Somajiguda, Hyderabad - 500082 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. Approval of financial statements for the year ended 31.03.2017.
2. Declaration of Dividend for the financial year 31.03.2017.
3. Appointment of Mr. Hari Narayan Rathi as Director who retires by rotation.
4. Appointment of statutory auditors and fixation of their remuneration.
5. Revision of Remuneration of Managing Director with effect from 1st October, 2016.
6. Revision of Remuneration of Executive Director with effect from 1st October, 2016

Signed this day of 2016

Signature of shareholder

Signature of Proxy holder(s)

Affix
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

B.N. RATHI SECURITIES LIMITED
6-3-652, IV Floor, Kautilya, Amrutha Estates, Somajiguda, Hyderabad - 500 082, Telangana



ATTENDANCE SLIP

(Please present this slip at the Meeting venue)

I hereby record my presence at the 31st Annual General Meeting of the members of the company to be held on Saturday, 5th day of August, 2017 at 11.00 A.M. at Hotel Mercure Hyderabad KCP, 6-3-551, Somajiguda, Hyderabad - 500082 and at any adjourned meeting thereof.

Shareholders/Proxy's Signature _____

Shareholders/Proxy's full name _____
(In block letters)

Folio No. / Client ID _____

DP ID _____

No. of shares held _____

Note:

Shareholders attending the meeting in person or by proxy are required to complete the attendance slip and hand it over at the entrance of the meeting hall.

B.N. RATHI SECURITIES LIMITED

6-3-652, IVth Floor, Kautilya, Amrutha Estates, Somajiguda, Hyderabad - 500 082.

PRINTED MATTER

BOOK POST



If undelivered please return to :

B.N. RATHI SECURITIES LIMITED

Registered Office : 6-3-652, "Kautilya", 4th Floor,
Amrutha Estates, Somajiguda, Hyderabad - 500 082.

Tel. : 040-30527777, 30727777, Fax : +91-40-30526283